



Australian Government

Australian Industrial Registry

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Gerardine Kearney
Federal Secretary
Australian Nursing Federation
Level 1, 365 Queen Street
MELBOURNE VIC 3000

Dear Gerardine,

Australian Nursing Federation

Financial Reports for the Year Ended 30 June 2007 – FR2007/410 Schedule 1 of the Workplace Relations Act 1996 (RAO Schedule)

Thank you for the financial reports of the Australian Nursing Federation for the year ended 30 June 2007. The documents were lodged in the Industrial Registry on 16 December 2007.

The documents have been filed and no further action is requested.

The following matters, however, concerning the financial reporting requirements of the RAO Schedule and the Registrar's Reporting Requirements are advised for your assistance when preparing future returns.

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 (the 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 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. I note that there is an item of expenditure for 'Meetings/Conferences' of \$34,098 in the Income Statement. 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

A notice must be included in the accounts informing members that prescribed information is available to them on request by drawing their attention to the relevant provisions - refer subsection 272(5) of the RAO Schedule. In this regard, the following is recommended:

272 Information to be provided to members or Registrar

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

(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 reporting unit.

(3) A reporting unit must comply with an application made under subsection (1).

Approved Auditor

It is not clear from the Report whether or not the Auditor is an approved Auditor. In this regard I draw your attention to the definitions of approved auditor in regulation 4 of the Workplace Relations (Registration and Accountability of Organisations) Regulations 2003. In all likelihood the Auditor is such a person however, it is our preference that this is made explicit in the Report. I recommend you draw this comment to the attention of your Auditors.

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

Yours sincerely,



Robert Pfeiffer
Statutory Services Branch

23 April 2008



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

DESIGNATED OFFICER'S CERTIFICATE

I, Jill Iliffe, 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) from 29/10/07 and members were notified via the ANF journals; and
3. that the report was presented to a meeting of the Committee of Management on 12/12/07 in accordance with section 266 of the RAO Schedule.


.....
Jill Iliffe
Federal Secretary

Dated this 12th day of December 2007

The industrial and professional organisation for nurses and midwives in Australia

AUSTRALIAN NURSING FEDERATION - FEDERAL OFFICE

ABN: 41 816 898 298

**Annual Financial Report For The Year Ended
30 June 2007**

Australian Nursing Federation - Federal Office

30 June 2007

ABN: 41 816 898 298

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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 2007.

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
Ms Gerardine Kearney	Ms Neroli Ellis	Mr Neil Spencer - resigned 30/11/2006
Ms Colleen Duff	Ms Anoni Morse	Ms Shirel Nomoa - appointed 01/12/2006
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 loss of the Federation for the financial year amounted to \$211,655.

A review of the operations of the Federation during the financial year and the results of those operations found that while membership remains strong, profitability was down due to higher staff costs and the write off of \$128,487 as bad debts due to the collapse of the Health Industry Group Training Company and loss of income as a result for the HIGTC/ANF Traineeship Partnership Project. This had a flow on effect to the activities 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 companies 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 153,673 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 20.

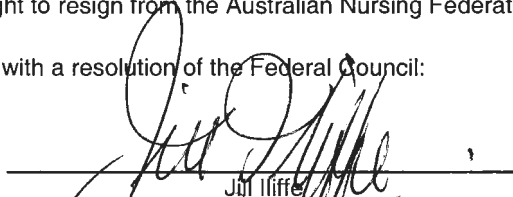
Gerardine Kearney is a director of Health Employees Superannuation Trust Australia, representing the Australian Nursing Federation.

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

Assistant Federal Secretary


Gerardine Kearney

Dated this

5th day of October 2007

AUSTRALIAN NURSING FEDERATION - FEDERAL OFFICE
ABN: 41 816 898 298
INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2007

	Note	2007 \$	2006 \$
Revenue	2	4,920,503	4,722,827
Employee benefits expense		(1,689,620)	(1,512,600)
Administration & office expenses		(265,029)	(283,641)
Affiliation fees		(278,428)	(250,221)
Staff field work and associated expenses		(185,023)	(173,389)
Meetings / Conferences		(34,098)	(60,411)
Legal expenses		(7,816)	(9,783)
Australian Nursing Journal production expenses		(1,051,809)	(1,078,984)
Australian Journal of Advanced Nursing production expenses		(70,495)	(78,506)
Project expenses		(79,451)	(180,514)
ACTU - IR Campaign		(752,758)	(546,506)
RTO expenses		(219,826)	(150,015)
Depreciation and amortisation expenses		(98,541)	(58,567)
Finance costs	3	(77,968)	(11,952)
Other expenses		(321,296)	(322,643)
Surplus (Deficit) before income tax		(211,655)	5,095
Surplus (Deficit) attributable to members of the entity		<u>(211,655)</u>	<u>5,095</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 2007

	Note	2007 \$	2006 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	245,244	542,981
Trade and other receivables	7	448,689	1,124,063
Other current assets	8	133,784	137,015
TOTAL CURRENT ASSETS		<u>827,717</u>	<u>1,804,059</u>
NON-CURRENT ASSETS			
Property, plant and equipment	9	2,061,564	461,254
TOTAL NON-CURRENT ASSETS		<u>2,061,564</u>	<u>461,254</u>
TOTAL ASSETS		<u><u>2,889,281</u></u>	<u><u>2,265,313</u></u>
CURRENT LIABILITIES			
Trade and other payables	10	719,243	1,243,325
Financial liabilities	11	-	30,975
Current tax liabilities	12	20,156	3,386
Short-term provisions	13	127,825	86,103
TOTAL CURRENT LIABILITIES		<u>867,224</u>	<u>1,363,789</u>
NON-CURRENT LIABILITIES			
Financial liabilities	11	1,408,202	96,258
Long-term provisions	13	151,608	131,363
TOTAL NON-CURRENT LIABILITIES		<u>1,559,810</u>	<u>227,621</u>
TOTAL LIABILITIES		<u>2,427,034</u>	<u>1,591,410</u>
NET ASSETS		<u><u>462,247</u></u>	<u><u>673,903</u></u>
EQUITY			
Retained surplus		462,247	673,903
TOTAL EQUITY		<u>462,247</u>	<u>673,903</u>

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 2007

	Retained Surplus (Accumulated Losses)	Total
	\$	\$
Balance at 1 July 2005		
Retrospective adjustment upon change in accounting policy	668,808	668,808
Surplus attributable to members of entity	5,095	5,095
Sub-total	<u>673,903</u>	<u>673,903</u>
Balance at 30 June 2006	<u>673,903</u>	<u>673,903</u>
Surplus attributable to members of entity	(211,655)	(211,655)
Sub-total	<u>462,248</u>	<u>462,248</u>
Balance at 30 June 2007	<u><u>462,248</u></u>	<u><u>462,248</u></u>

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 2007

	Note	2007 \$	2006 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		5,970,925	4,497,769
Payments to suppliers and employees		(5,808,379)	(4,687,753)
Interest received		18,798	30,955
Finance costs		(77,968)	(11,952)
Income tax paid		16,770	(173,595)
Net cash provided by (used in) operating activities	17	<u>120,146</u>	<u>(344,576)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		40,867	-
Purchase of property, plant and equipment		(1,739,719)	(27,719)
Loans to related parties			
— payments made		-	(39,079)
— proceeds from repayments		-	9,498
Net cash provided by (used in) investing activities		<u>(1,698,852)</u>	<u>(57,300)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		(127,233)	(32,761)
Drawdown of borrowings		1,408,202	-
Net cash provided by (used in) financing activities		<u>1,280,969</u>	<u>(32,761)</u>
Net (decrease) increase in cash held		(297,737)	(434,637)
Cash at beginning of financial year		542,981	977,618
Cash at end of financial year	6	<u>245,244</u>	<u>542,981</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 FOR THE YEAR ENDED 30 JUNE 2007

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 as an individual entity. Australian Nursing Federation - Federal Office complies with all Australian equivalents to International Financial Reporting Standards (AIFRS) in their entirety.

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

Basis of Preparation

The accounting policies set out below have been consistently applied to all years presented.

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, 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 their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of 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
Leased plant and equipment	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 the company 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 the shorter of their estimated useful lives or the lease term.

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.

(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: Financial Instruments: Recognition and Measurement. Derivatives are also categorised as held for trading unless they are designated as hedges. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the income statement in the period in which they arise.

AUSTRALIAN NURSING FEDERATION - FEDERAL OFFICE
ABN: 41 816 898 298
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

(e) Impairment of Assets

At each reporting date, the Federation 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.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

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

(f) Interests in Joint Ventures

The share of the assets, liabilities, revenue and expenses of joint venture operations are included in the appropriate items of the statements.

The interests in joint venture entities are brought to account using the cost method.

(g) Employee Benefits

Provision is made for the Federation'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 oncosts. 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.

(h) Provisions

Provisions are recognised when the Federation has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(i) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

(j) Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

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

Dividend revenue is recognised when the right to receive a dividend has been established.

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

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

(k) 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, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(l) Comparative Figures

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

Critical accounting estimates and judgments

The councillors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Federation.

Key estimates — Impairment

The Federation assesses impairment at each reporting date by evaluating conditions specific to the Federation that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

Key judgments — Employee Benefits

The employee benefits calculation is based upon the probability that staff will continue to be employed by the entity until such time as they entitled to long service leave on a pro-rata basis. These probabilities are estimates based on past history of staff turnover.

Note 2 Revenue

	Note	2007 \$	2006 \$
Sales revenue			
— Capitation fees		2,174,520	1,996,476
— Australian Nursing Journal subscriptions		970,070	946,915
— Australian Nursing Journal advertising and other income		492,938	536,678
— Australian Journal of Advanced Nursing subscriptions		94,803	107,463
— Australian Journal of Advanced Nursing advertising		4,144	9,484
— Grants received		88,141	143,240
— ACTU - IR Campaign		752,758	546,506
— RTO income		133,317	13,627
Total sales revenue		<u>4,710,691</u>	<u>4,300,389</u>
Other revenue			
— interest received		18,798	30,955
— other revenues		191,014	391,483
Total other revenue		<u>209,812</u>	<u>422,438</u>
Total sales revenue and other revenue		<u>4,920,503</u>	<u>4,722,827</u>

AUSTRALIAN NURSING FEDERATION - FEDERAL OFFICE
ABN: 41 816 898 298
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

Note 3 Surplus from Ordinary Activities

	2007	2006
	\$	\$
(a) Expenses		
Finance costs:		
— Federation	77,968	11,952
Total finance costs	77,968	11,952

Note 4 Key Management Personnel Compensation

	Salary & Fees	Superannuation Contribution	Long Service Leave Payments	Post Employment Benefit	Total
	\$	\$	\$	\$	\$
2007					
Ms Jill Iliffe	144,829	19,411	7,237	-	171,477
Ms Gerardine Kearney	132,270	17,717	-	-	149,987
Total compensation	277,099	37,128	7,237	-	321,464
2006					
Ms Jill Iliffe	139,737	18,591	11,738	-	170,066
Ms Gerardine Kearney	134,614	16,531	-	-	151,145
Total compensation	274,351	35,122	11,738	-	321,211

Note 5 Auditors' Remuneration

	2007	2006
	\$	\$
Remuneration of the auditor for:		
— auditing or reviewing the financial report	13,141	12,000

Note 6 Cash and Cash Equivalents

	2007	2006
	\$	\$
Cash at bank and in hand	480	480
Short-term bank deposits	194,605	216,604
Bank Bills	-	270,354
Competency Standards Account	-	21,094
General Operating Account	8,390	1,809
NNO Account	41,769	32,640
	245,244	542,981

The effective interest rate on short-term bank deposits was 5.75% (2006: 5.25%).

Reconciliation of cash

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

Cash and cash equivalents	245,244	542,981
	245,244	542,981

Note 7 Trade and Other Receivables

		2007	2006
	Note	\$	\$
CURRENT			
Trade receivables		209,580	311,362
		209,580	311,362
Other receivables		210,609	783,120
Other related parties	7(c)	28,500	29,581
		448,689	1,124,063
(c) Other Related Parties			
Other entities		28,500	29,581
		28,500	29,581

Unsecured interest-free loans are made to related parties on an arm's length basis. Repayment terms are set for each loan which range from [no. of years] to [no. of years] years.

Note 8 Other Assets

	2007	2006
	\$	\$
CURRENT		
Prepayments	133,784	137,015
	133,784	137,015

AUSTRALIAN NURSING FEDERATION - FEDERAL OFFICE
ABN: 41 816 898 298
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

Note 9 Property, Plant and Equipment

	2007 \$	2006 \$
Land and Buildings		
— At Cost	1,761,100	417,000
— Less accumulated depreciation	(91,362)	(58,380)
Total land and buildings	<u>1,669,738</u>	<u>358,620</u>
Freehold Improvements		
— At Cost	303,261	61,963
— Less accumulated depreciation	(63,500)	(43,227)
	<u>239,761</u>	<u>18,736</u>
Plant and equipment:		
— At Cost	427,356	292,528
— Less accumulated depreciation	(275,291)	(233,883)
	<u>152,065</u>	<u>58,645</u>
Leasehold Improvements		
— At Cost	-	94,293
— Less accumulated depreciation	-	(69,040)
	<u>-</u>	<u>25,253</u>
Total property, plant and equipment	<u>2,061,564</u>	<u>461,254</u>

The Federation's land and buildings were revalued at 30/06/07 by independent valuers. Valuations were made on the basis of open market value.

(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 \$	Freehold Improvements \$	Plant and Equipment \$	Leasehold Improvements \$	Total \$
Balance at 1 July 2005	366,960	24,933	65,541	34,682	492,116
Additions			27,719		27,719
Disposals			(14)		(14)
Revaluation increments/(decrements)					-
Depreciation expense	(8,340)	(6,197)	(34,601)	(9,429)	(58,567)
Capitalised borrowing cost and depreciation					-
Balance at 30 June 2006	<u>358,620</u>	<u>18,736</u>	<u>58,645</u>	<u>25,253</u>	<u>461,254</u>
Additions	1,344,101	241,298	154,320		1,739,719
Disposals			(19,060)	(21,807)	(40,867)
Revaluation increments/(decrements)					-
Depreciation expense	(32,982)	(20,273)	(41,840)	(3,446)	(98,541)
Capitalised borrowing cost and depreciation					-
Carrying amount at 30 June 2007	<u>1,669,739</u>	<u>239,761</u>	<u>152,065</u>	<u>-</u>	<u>2,061,564</u>

Note 10 Trade and Other Payables

	2007 \$	2006 \$
CURRENT		
Unsecured liabilities		
Trade payables	405,685	1,066,889
Sundry payables and accrued expenses	234,865	101,489
Amounts payable to:		
— Unearned income - journal	78,693	74,947
	<u>719,243</u>	<u>1,243,325</u>

Note 11 Financial Liabilities

	2007 \$	2006 \$
CURRENT		
Bank loan secured	-	30,975
	<u>-</u>	<u>30,975</u>
NON-CURRENT		
Bank loan secured	1,408,202	96,258
	<u>1,408,202</u>	<u>96,258</u>

Note 12 Tax

	2007 \$	2006 \$
(a) Liabilities		
CURRENT		
GST payable	20,156	3,386
Total	<u>20,156</u>	<u>3,386</u>

AUSTRALIAN NURSING FEDERATION - FEDERAL OFFICE
ABN: 41 816 898 298
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

Note 13 Provisions

	2007	2006
CURRENT		
Long-term Employee Benefits	\$	\$
Opening balance at beginning of year	86,103	211,420
Additional provisions raised during year	41,722	(125,317)
Balance at end of the year	<u>127,825</u>	<u>86,103</u>
NON-CURRENT		
Long-term Employee Benefits		
Opening balance at beginning of year	131,633	73,638
Additional provisions raised during year	19,975	57,725
Balance at end of the year	<u>151,608</u>	<u>131,363</u>
	2007	2006
	\$	\$
Analysis of Total Provisions		
Current	127,825	86,103
Non-current	151,608	131,363
	<u>279,433</u>	<u>217,466</u>

Provision for Long-term Benefits

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.

Note 14 Reserves

(a) Asset Revaluation Reserve

The asset revaluation reserve records revaluations of non-current assets. Under certain circumstances dividends can be declared from the reserve.

(b) General Reserve

The general reserve records funds set aside for future expansion of the Federation.

(c) Financial Assets Reserve

The financial assets reserve records revaluation of financial assets.

Note 15 Capital and Leasing Commitments

	2007	2006
	\$	\$
(a) Capital Expenditure Commitments		
Payable		
— not later than 12 months	-	1,249,680
	<u>-</u>	<u>1,249,680</u>

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

	2007	2006
	\$	\$
(a) Reconciliation of Cash Flow from with Profit after Income Tax		
Profit after income tax	(211,655)	5,095
Non-cash flows in profit		
Depreciation	98,541	58,567
Net gain on disposal of property, plant and equipment		14
Changes in assets and liabilities		
(Increase)/decrease in trade and other receivables	675,374	(599,894)
(Increase)/decrease in other assets	3,231	(50,122)
Increase/(decrease) in trade and other payables	(524,082)	334,848
Increase/(decrease) in provision for income tax	16,770	(25,492)
Increase/(decrease) in other provisions	61,967	(67,592)
	<u>120,146</u>	<u>(344,576)</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 2007 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 the Federal Office.

AUSTRALIAN NURSING FEDERATION - FEDERAL OFFICE
ABN: 41 816 898 298
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

Note 21 Financial Instruments

(a) Interest Rate Risk

The Federation'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		Within Year		Fixed Interest Rate Maturing 1 to 5 years	
	2007	2006	2007	2006	2007	2006	2007	2006
	%	%	\$	\$	\$	\$	\$	\$
Financial Assets:								
Cash at Bank	-	-	50,639	55,543	-	-	-	-
Bank Bills	-	5.63	-	270,354	-	-	-	-
Money Market A/c	4.56	5.25	194,605	216,604	-	-	-	-
Total Financial Assets			245,244	542,501	-	-	-	-
Financial Liabilities:								
Bank loan secured	7.13	8.50	-	-	101,714	30,975	1,306,489	96,258
Total Financial Liabilities			-	-	101,714	30,975	1,306,489	96,258

	Total	
	2007	2006
Financial Assets:		
Cash at Bank	50,639	55,543
Bank Bills	-	270,354
Money Market A/c	194,605	216,604
Total Financial Assets	245,244	542,501
Financial Liabilities:		
Bank loan secured	1,408,203	127,233
Total Financial Liabilities	1,408,203	127,233

(b) 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. Financial assets where the carrying amount exceeds net fair values have not been written down as the company intends to hold these assets to maturity.

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

AUSTRALIAN NURSING FEDERATION - FEDERAL OFFICE
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

Note 22 Federation Details

The registered office of the Federation is:

Australian Nursing Federation - Federal Office
3/28 Eyre Street
Kingston ACT 2604

The principal place of business is:

Australian Nursing Federation - Federal Office
Level 1
365 Queen Street
Melbourne VIC 3000

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

The Committee of Management declares that:

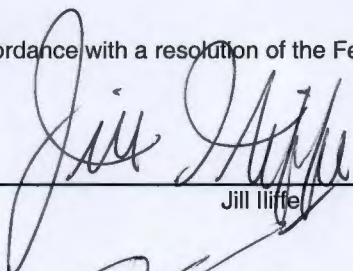
1. The financial statements and notes, as set out on pages 3 to 13 are in accordance with the Workplace Relations Act 1996:
 - (a) comply with Australian Accounting Standards and with the reporting guidelines of the Industrial Registrar; and
 - (b) give a true and fair view of the financial position as at 30 June 2007 and of the performance for the year ended on that date of the Federation.

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 2007 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.

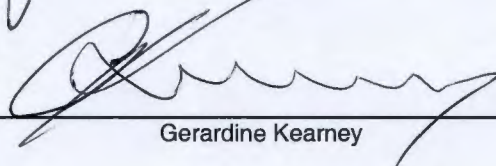
This declaration is made in accordance with a resolution of the Federal Council.

Federal
Secretary



Jill Hiffe

Assistant
Federal
Secretary



Gerardine Kearney

Dated this 5TH day of OCTOBER 2007

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
AUSTRALIAN NURSING FEDERATION - FEDERAL OFFICE**

Report on the financial report

We have audited the accompanying financial report, being a general purpose financial report, of Australian Nursing Federation - Federal Office, which comprises the balance sheet as at 30 June 2007, and the income statement, statement of changes in equity and cash flow statement for the year then ended, a summary of significant accounting policies, other explanatory notes and the councillors' declaration.

Councillors' responsibility for the financial report

The councillors of the Federation are responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, are appropriate to meet the requirements of the *Workplace Relations Act 1996* and are appropriate to meet the needs of the members. The councillors' responsibility also includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the councillors, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to members for the purpose of fulfilling the councillors' financial reporting under the *Workplace Relations Act 1996*. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Auditor's opinion

In our opinion the general purpose financial report is presented fairly in accordance with the applicable Australian Accounting Standards and the requirements imposed by Part 3 of chapter 8 of Schedule 1 of the *Workplace Relations Act 1996*

- a. giving a true and fair view of the Federation's financial position as at 30 June 2007 and of its performance for the year ended on that date with the accounting policies described in Note 1; and
- b. the Federation kept satisfactory accounting records for the year ended 30 June 2007, which detailed the sources and nature of the income of the Federation (including income from members) and the nature and purposes of expenditure;
- 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.

Name of Firm: Bell Duke & Co.

Bell Duke & Co.

Name of Partner: Robert H Wald

Robert H Wald

Address: Level 7, 468 St Kilda Road, MELBOURNE VIC 3004

Dated this

9th

day of

OCTOBER

2007