



FAIR WORK  
AUSTRALIA

17 February 2010

Gerardine Kearney  
Federal Secretary  
Australian Nursing Federation  
By email: [anfmelbourne@anf.org.au](mailto:anfmelbourne@anf.org.au)

Dear Ms Kearney,

**Financial Report for the year ended 30 June 2009  
Australian Nursing Federation (FR2009/269)**

**Fair Work (Registered Organisations) Act 2009 (the RO Act)**

Thank you for the financial report of the Federal Office of the Australian Nursing Federation for the year ended 30 June 2009. The documents were lodged with Fair Work Australia on 26 November 2009. I apologise for the lateness of our reply. The Fair Work Legislation introduced in July last year certainly had an impact on our normal work load.

The documents comprising the financial report have been filed and no further action is requested.

The following matters, however, concerning the financial reporting requirements of the RO Act and the Financial Reporting Guidelines are advised for your assistance when preparing future returns.

**Committee of Management Statement**

The Committee of Management Statement (your Councillors' Statement on page 18) must confirm that it has been made in accordance with a resolution of the Council and provide the date of that resolution – see Items 24 to 26 of the [Financial Reporting Guidelines](#).

Suggested wording for the opening paragraph of the Councillors' Statement in the future could be as follows:

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

**Recovery of Wages Activity**

I note the accounts did not provide information in relation to any recovery of wages activity.

The financial reporting obligations regarding the recovery of wages activity is specified in items 16 to 23 and item 25(f) of the Financial Reporting Guidelines.

Where the reporting unit has not undertaken any recovery of wages activity for the financial year a statement by the auditor or by the Council could be placed in the Notes to the Financial Statements declaring that there was no recovery of wages activity for the financial year.

**Notice under Subsection 272(5) of RO Act**

The reproduction of subsections 272(1), (2) and (3) as required by s272(5) should be contained in the Notes to the Financial Statement rather than in the Operating Report.

Please do not hesitate to contact me on (03) 8661 7817 or by email at [robert.pfeiffer@fwa.gov.au](mailto:robert.pfeiffer@fwa.gov.au) if you wish to discuss the requirements outlined in this correspondence.

Yours sincerely,



Robert Pfeiffer  
Tribunal Services and Organisations  
Fair Work Australia




# australian nursing federation

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

## DESIGNATED OFFICER'S CERTIFICATE

I, Gerardine Kearney, 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 19/10/09 and members were notified via the ANF journals; and
3. that the report was presented to a meeting of the Committee of Management on 25/11/09 in accordance with section 266 of the RAO Schedule.



Gerardine Kearney  
Federal Secretary

Dated this 26<sup>th</sup> day of November 2009

The industrial and professional organisation for nurses and midwives in Australia

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**AUSTRALIAN NURSING FEDERATION -  
FEDERAL OFFICE**

**ABN: 41 816 898 298**

**Annual Financial Report For The Year Ended  
30 June 2009**

# **Australian Nursing Federation - Federal Office**

**30 June 2009**

**ABN: 41 816 898 298**

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

Your councillors present their report on the Federation for the financial year ended 30 June 2009

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

Coral Levett	Marisa Bell (appointed 1 December 2008)
Bernadette Roberts (resigned 31 March 2009)	Gay Hawksworth
Paul Nieuwenhoven (appointed 1 April 2009)	Suzanne Cadigan (resigned 13 January 2009)
Gerardine Kearney	Desley Geraghty-Rudd (appointed 14 January 2009)
Lee Thomas	Neroli Ellis
Colleen Duff (resigned 30 November 2008)	Anoni Morse (resigned 30 November 2008)
Jenny Miragaya (appointed 1 December 2008)	Julie Driver (appointed 1 December 2008)
Jill Parke	Lisa Fitzpatrick
Brett Holmes	Clare McGinness
Yvonne Falckh	Mark Olson
Shirel Nomoa	Patricia Fowler
Elizabeth Dabars	

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 \$2,351.

A review of the operations of the Federation during the financial year and the results of those operations found that Capitation fees had increased by 9.7% as a result of increased membership and increased fee rates. Expenses had increased by 7% with the main increase being in ANJ production costs, media costs and the Aged Care Campaign. This has resulted in a small surplus.

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 was the industrial and professional representation of nurses and nursing.

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

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.

Likely developments in the operations of the Federation and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Federation.

The operations of the Federation are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

The number of members at the end of the financial year was 167,947, 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 21.

Gerardine Kearney and Brett Holmes are directors 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.

272 Information to be provided to members or Registrar.

(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 has been given to the federation.

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

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the company.

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

No person has applied for leave of Court to bring proceedings on behalf of the Federation or intervene in any proceedings to which the Federation is a party for the purpose of taking responsibility on behalf of the Federation for all or any part of those proceedings.

The Federation was not a party to any such proceedings during the year.

Signed in accordance with a resolution of the Federal Council dated 17th September 2009.

Federal Secretary



*Gerardine Kearney*

Dated 17th September 2009

**AUSTRALIAN NURSING FEDERATION - FEDERAL OFFICE**  
**ABN: 41 816 898 298**  
**INCOME STATEMENT FOR YEAR ENDED 30 JUNE 2009**

	<b>Note</b>	<b>2009</b>	<b>2008</b>
		<b>\$</b>	<b>\$</b>
Revenue	2	5,157,710	4,923,899
Employee benefits expense		(1,779,794)	(1,988,602)
Administration & office expenses		(251,318)	(255,445)
Affiliation fees		(335,045)	(307,304)
Staff field work and associated expenses		(209,449)	(189,397)
Meetings / conferences		(56,622)	(52,967)
Legal expenses		(8,855)	(20,676)
Australian nursing journal production expenses		(1,453,284)	(1,159,626)
Australian journal of advanced nursing production expenses		(16,405)	(13,216)
Donations	3	(22,765)	(9,250)
Project expenses		(95,028)	(54,102)
RTO expenses		(199,630)	(124,854)
Depreciation and amortisation expense		(115,984)	(111,179)
ACTU IR campaign		-	(359,150)
Aged care campaign		(364,197)	-
Finance costs	3	(81,167)	(79,877)
Other expenses		(165,816)	(196,898)
<b>Surplus / (Deficit) attributable to members</b>		<u>2,351</u>	<u>1,356</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 2009**

	Note	2009 \$	2008 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	6	511,520	375,045
Trade and other receivables	7	332,564	362,611
Other assets	8	87,465	61,796
<b>Total current assets</b>		<u>931,549</u>	<u>799,452</u>
<b>Non-current assets</b>			
Trade and other receivables	7	5,352	19,000
Property, plant and equipment	9	1,977,842	2,039,191
<b>Total non-current assets</b>		<u>1,983,194</u>	<u>2,058,191</u>
<b>TOTAL ASSETS</b>		<u>2,914,743</u>	<u>2,857,643</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	10	612,423	602,095
Current tax liabilities	12	27,238	12,159
Short-term provisions	13	179,407	155,430
<b>Total current liabilities</b>		<u>819,068</u>	<u>769,684</u>
<b>Non-current liabilities</b>			
Borrowings	11	1,408,202	1,408,202
Long-term provisions	13	221,518	216,153
<b>Total non-current liabilities</b>		<u>1,629,720</u>	<u>1,624,355</u>
<b>TOTAL LIABILITIES</b>		<u>2,448,788</u>	<u>2,394,039</u>
<b>NET ASSETS</b>		<u>465,955</u>	<u>463,604</u>
<b>MEMBER FUNDS</b>			
Accumulated surplus		465,955	463,604
<b>TOTAL MEMBER FUNDS</b>		<u>465,955</u>	<u>463,604</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 YEAR ENDED 30 JUNE 2009**

	<b>Accumulated Surplus / (Deficit)</b>	<b>Total</b>
	\$	\$
<b>Balance at 1 July 2007</b>	462,248	462,248
Surplus / (Deficit) attributable to members	1,356	1,356
<b>Balance at 30 June 2008</b>	463,604	463,604
Surplus / (Deficit) attributable to members	2,351	2,351
<b>Balance at 30 June 2009</b>	465,955	465,955

The accompanying notes form part of these financial statements.

**AUSTRALIAN NURSING FEDERATION - FEDERAL OFFICE**  
**ABN: 41 816 898 298**  
**CASH FLOW STATEMENT FOR YEAR ENDED 30 JUNE 2009**

	Note	2009 \$	2008 \$
<b>Cash flows from operating activities</b>			
Receipts from members & customers		4,676,692	4,832,149
Payments to suppliers and employees		(4,423,970)	(4,551,959)
Interest received		20,108	18,251
Finance costs		(81,167)	(79,877)
<b>Net cash provided by (used in) operating activities</b>	15	<u>191,663</u>	<u>218,564</u>
<b>Cash flows from investing activities</b>			
Proceeds from sale of property, plant and equipment		553	253
Purchase of property, plant and equipment		(55,741)	(89,016)
<b>Net cash provided by (used in) investing activities</b>		<u>(55,188)</u>	<u>(88,763)</u>
<b>Net increase (decrease) in cash held</b>		136,475	129,801
Cash at beginning of financial year		375,045	245,244
<b>Cash at end of financial year</b>	6	<u>511,520</u>	<u>375,045</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 2009**

**Note 1 Statement of Significant Accounting Policies**

This financial report includes the financial statements and notes of Australian Nursing Federation - Federal Office.

**Basis of Preparation**

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Workplace Relations Act 1996.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

**Accounting Policies**

**(a) Revenue**

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

Grant revenue is recognised in the income statement when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the balance sheet as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Donations and bequests are recognised as revenue when received.

Capitation fees are recognised as revenue when invoiced on an accruals basis.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

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

**(b) Property, Plant and Equipment**

Each class of property, plant and equipment is carried at cost or fair values as indicated, less, where applicable, accumulated depreciation and impairment losses.

**Property**

Freehold land and buildings are shown at their fair value based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same classes of assets are charged against fair value reserves directly in equity; all other decreases are charged to the income statement. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the income statement and depreciation based on the asset's original cost is transferred from the revaluation reserve to retained earnings.

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.

Freehold land and buildings that have been contributed at no cost, or for nominal cost are valued recognised at the fair value of the asset at the date it is acquired.

**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 directors 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.

Plant and equipment that have been contributed at no cost, or for nominal cost are valued and recognised at the fair value of the asset at the date it is acquired.

**Depreciation**

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

<b>Class of Fixed Asset</b>	<b>Useful Life</b>
Buildings	50 years
Plant and equipment	4 - 7 years
Freehold improvements	10 years

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

**AUSTRALIAN NURSING FEDERATION - FEDERAL OFFICE**  
**ABN: 41 816 898 298**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009**

Asset classes 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, are transferred to the entity are classified as finance leases.

Finance leases are capitalised, recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values.

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. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the lease term.

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**

**Initial Recognition and Measurement**

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Company commits itself to either purchase or sell the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions costs except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed to profit or loss immediately.

**Classification and Subsequent Measurement**

Finance instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as (i) the amount at which the financial asset or financial liability is measured at initial recognition (ii) less principal repayments (iii) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and (iv) less any reduction for impairment.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense

**(i) Financial assets at fair value through profit or loss**

Financial assets are classified at 'fair value through profit or loss' when they are either held for trading for the purpose of short term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

**(ii) Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

**(iii) Held-to-maturity investments**

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the entity's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

**(iv) Available-for-sale financial assets**

Available-for-sale financial assets are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

**(v) Financial liabilities**

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

**Fair value**

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

**Impairment**

At each reporting date, the entity assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the Income Statement.

**Derecognition**

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability, which is extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

**AUSTRALIAN NURSING FEDERATION - FEDERAL OFFICE**  
**ABN: 41 816 898 298**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009**

**(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 the future economic benefits of the asset are not primarily dependent upon on the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an assets class, the entity estimates the recoverable amount of the cash-generating unit to which the class of assets belong.

Where an impairment loss on a revalued asset is identified, this is debited against the revaluation reserve in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation reserve for that same class of asset.

**(f) Employee Benefits**

Provision is made for the entity's liability for employee benefits arising from services rendered by employees to Balance Sheet date. Employee benefits expected to be settled within one year together with benefits arising from wages, salaries and annual leave which may be settled after one year, have been measured at the amounts expected to be paid when the liability is settled. Other employee benefits payable later than one year have been measured at the net present value.

**(g) 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.

**(h) 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 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.

**(i) Income Tax**

No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

**(j) Provisions**

Provisions are recognised when the entity 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. Provisions recognised represent the best estimate of the amounts required to settle the obligation at reporting date.

**(k) Comparative Figures**

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

**(l) 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 company.

**(m) New Accounting Standards for application in future periods**

The AASB has issued new, revised and amended standards and interpretations that have mandatory application dates for future reporting periods and which the entity has decided not to early adopt. A discussion of those future requirements and their impact on the entity is as follows:-

• AASB 101: Presentation of Financial Statements, AASB 2007-8: Amendments to Australian Accounting Standards arising from AASB 101, and AASB 2007-10: Further Amendments to Australian Accounting Standards arising from AASB 101 (all applicable to annual reporting periods commencing from 1 January 2009). The revised AASB 101 and amendments supersede the previous AASB 101 and redefines the composition of financial statements including the inclusion of a statement of comprehensive income. There will be no measurement or recognition impact on the Company. If an entity has made a prior period adjustment or reclassification, a third balance sheet as at the beginning of the comparative period will be required.

The entity does not anticipate early adoption of any of the above reporting requirements and does not expect them to have any material effect on the entities financial statements.

**AUSTRALIAN NURSING FEDERATION - FEDERAL OFFICE**  
**ABN: 41 816 898 298**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009**

**Note 2 Revenue**

	Note	2009 \$	2008 \$
<b>Sales revenue</b>			
— Capitation fees		2,571,682	2,342,820
— ANJ subscriptions		1,159,758	1,122,969
— ANJ advertising		580,468	567,553
— AJAN subscription		10,911	2,385
— AJAN advertising		20,200	19,891
— Grants received		90,002	215,436
— ACTU IR campaign		-	359,150
— Aged care campaign		332,128	-
— RTO income		159,257	175,206
<b>Total sales revenue</b>		<u>4,924,406</u>	<u>4,805,410</u>
<b>Other revenue</b>			
— interest received	2(a)	20,108	18,251
— other revenues		213,196	100,238
<b>Total other revenue</b>		<u>233,304</u>	<u>118,489</u>
<b>Total sales revenue and other revenue</b>		<u>5,157,710</u>	<u>4,923,899</u>
<b>(a) Interest revenue from:</b>			
— other persons		20,108	18,251
<b>Total interest revenue</b>		<u>20,108</u>	<u>18,251</u>

**Note 3 Expenses**

	2009 \$	2008 \$
<b>(a) Expenses</b>		
Finance costs:		
— Federation	81,167	79,877
<b>Total finance costs</b>	<u>81,167</u>	<u>79,877</u>
<b>(b) Donations:</b>		
Over \$1000	19,380	8,000
\$1000 and less	3,385	1,250
	<u>22,765</u>	<u>9,250</u>

**Note 4 Key Management Personnel Compensation**

	Short-term Benefits \$	Post Employment Benefit \$	Total \$
<b>2009</b>			
Total compensation	315,855	40,693	356,548
<b>2008</b>			
Total compensation	297,723	46,497	344,220

**Note 5 Auditors' Remuneration**

	2009 \$	2008 \$
Remuneration of the auditor for:		
— auditing or reviewing the financial report	16,060	13,106

**AUSTRALIAN NURSING FEDERATION - FEDERAL OFFICE**  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009**

**Note 6 Cash and Cash Equivalents**

	2009	2008
	\$	\$
CURRENT		
Cash at bank and in hand	480	480
Short-term bank deposits at call	443,659	336,703
General Operating Account	33,908	7,427
NNO Account	7,796	26,035
RTO Account	5	4,400
IT Project Account	25,672	-
	<u>511,520</u>	<u>375,045</u>

**Note 7 Trade and Other Receivables**

	Note	2009	2008
		\$	\$
CURRENT			
Trade receivables		215,053	195,862
Other receivables		101,961	157,249
Other related parties	7(a)	<u>15,550</u>	<u>9,500</u>
		<u>332,564</u>	<u>362,611</u>
NON-CURRENT			
Other related parties	7(b)	<u>5,352</u>	<u>19,000</u>
		<u>5,352</u>	<u>19,000</u>
<b>(a) Current</b>			
ANF NT branch	7(i)	9,500	9,500
Loans to members	7(ii)	<u>6,050</u>	<u>-</u>
		<u>15,550</u>	<u>9,500</u>
<b>(b) Non-Current</b>			
ANF NT branch	7(i)	-	19,000
Loans to members	7(ii)	<u>5,352</u>	<u>-</u>
		<u>5,352</u>	<u>19,000</u>
		<u>20,902</u>	<u>28,500</u>

(i) Unsecured interest-free loan was made to ANF NT Branch repayable in equal annual instalments.

(ii) An interest-free loan was made to a member of the Federation repayable over 2 years.

**Note 8 Other Assets**

	2009	2008
	\$	\$
CURRENT		
Prepayments	<u>87,465</u>	<u>61,796</u>
	<u>87,465</u>	<u>61,796</u>

**Note 9 Property, Plant and Equipment**

	2009	2008
	\$	\$
LAND AND BUILDINGS		
Freehold land:		
At cost	1,761,101	1,761,101
Less accumulated depreciation	<u>(156,604)</u>	<u>(123,983)</u>
Total land and buildings	<u>1,604,497</u>	<u>1,637,118</u>
Freehold Improvements:		
At cost	355,466	355,466
Less accumulated depreciation	<u>(130,433)</u>	<u>(95,156)</u>
Total buildings	<u>225,033</u>	<u>260,310</u>
Total land and buildings	<u>1,829,530</u>	<u>1,897,428</u>
PLANT AND EQUIPMENT		
Plant and equipment:		
At cost	466,764	428,526
Less accumulated depreciation	<u>(318,452)</u>	<u>(286,763)</u>
Total plant and equipment	<u>148,312</u>	<u>141,763</u>
Total property, plant and equipment	<u>1,977,842</u>	<u>2,039,191</u>



**AUSTRALIAN NURSING FEDERATION - FEDERAL OFFICE**  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009**

**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 & Buildings \$	Freehold Improvements \$	Plant and Equipment \$	Total \$
<b>2008</b>				
Balance at beginning of the year	1,669,738	239,761	152,065	2,061,564
Additions	-	52,205	36,811	89,016
Disposals	-	-	(210)	(210)
Depreciation expense	(32,620)	(31,656)	(46,903)	(111,179)
Carrying amount at end of year	<u>1,637,118</u>	<u>260,310</u>	<u>141,763</u>	<u>2,039,191</u>
<b>2009</b>				
Balance at beginning of the year	1,637,118	260,310	141,763	2,039,191
Additions	-	-	55,188	55,188
Disposals	-	-	(542)	(542)
Depreciation expense	(32,621)	(35,277)	(48,097)	(115,995)
Carrying amount at end of year	<u>1,604,497</u>	<u>225,033</u>	<u>148,312</u>	<u>1,977,842</u>

**Note 10 Trade and Other Payables**

	2009 \$	2008 \$
<b>CURRENT</b>		
Trade payables	381,047	407,068
Sundry payables and accrued expenses	153,480	110,501
Unearned income - journal subscriptions	77,896	84,526
	<u>612,423</u>	<u>602,095</u>

**Note 11 Borrowing**

	Note	2009 \$	2008 \$
<b>NON-CURRENT</b>			
Bank loan secured	11(a)	1,408,202	1,408,202
		<u>1,408,202</u>	<u>1,408,202</u>
(a) Total current and non-current secured liabilities: Bank loan		<u>1,408,202</u>	<u>1,408,202</u>
(b) The carrying amounts of non-current assets pledged as security are: First mortgage – Freehold land and buildings		<u>1,829,530</u>	<u>1,897,428</u>
(c) The bank overdraft and loan are secured by a registered first mortgage over the freehold properties of the Federation by the Members Equity Bank. The initial facility is for a 5 year period maturing in 2012.			

**Note 12 Tax**

	2009 \$	2008 \$
(a) <b>Liabilities</b>		
<b>CURRENT</b>		
GST payable	27,238	12,159
	<u>27,238</u>	<u>12,159</u>

**AUSTRALIAN NURSING FEDERATION - FEDERAL OFFICE**  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009**

**Note 13 Provisions**

	2009	2008
<b>CURRENT</b>	\$	\$
Long-term Employee Benefits		
Opening balance at beginning of year	155,430	127,825
Additional provisions raised during year	23,977	27,605
Balance at end of the year	<u>179,407</u>	<u>155,430</u>
<b>NON-CURRENT</b>		
Long-term Employee Benefits		
Opening balance at beginning of year	216,153	151,608
Additional provisions raised during year	5,365	64,545
Balance at end of the year	<u>221,518</u>	<u>216,153</u>
	2009	2008
<b>Analysis of Total Provisions</b>	\$	\$
Current	179,407	155,430
Non-current	221,518	216,153
	<u>400,925</u>	<u>371,583</u>

**Provision for Long-term Benefits**

A provision has been recognised for employee benefits relating to 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 to this report.

**Note 14 Segment Reporting**

The Federation operates predominately in one business and geographical segment, being the provision of industrial and professional representation of nurses and nursing in Australia.

**Note 15 Cash Flow Information**

	2009	2008
	\$	\$
<b>(a) Reconciliation of Cash Flow from Operations with Surplus attributable to</b>		
Surplus (Deficit) attributable to members	2,351	1,356
Non-cash flows in surplus		
Depreciation	115,984	111,179
Profit (loss) on sale of property, plant and equipment	553	(43)
Changes in assets and liabilities		
(Increase) / decrease in trade and other receivables	43,695	68,490
(Increase) / decrease in other assets	(25,669)	70,576
Increase / (decrease) trade and other payables	25,407	(125,144)
Increase / (decrease) in provisions	29,342	92,150
	<u>191,663</u>	<u>218,564</u>

**Note 16 Events After the Balance Sheet Date**

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

**Note 17 Related Party Transactions**

The Federation undertook related party transactions with the State Branches in its role as an umbrella organisation.

During the year an interest free loan of \$12,100 was made to a member of the Federation to provide financial assistance. The loan has been approved by Council. It is to be repaid to the Federation over a 2 year period.

**Note 18 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**  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009**

**Note 19 Financial Risk Management**

**(a) Financial Risk Management Policies**

The Federation's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable and bank loans.

The main purpose of non-derivative financial instruments is to raise finance for the Federation's operations.

The Federation does not have any derivative instruments at 30 June 2009.

**(i) Treasury Risk Management**

A finance committee consisting of senior executives of the Federation meet on a regular basis to analyse financial risk exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

The committees overall risk management strategy seeks to assist the Federation in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

The finance committee operates under policies approved by the Councillors. Risk management policies are approved and reviewed by the Board on a regular basis. These include credit risk policies and future cash flow requirements.

**(ii) Financial Risk Exposures and Management**

The main risks the federation is exposed to through its financial instruments are interest rate risk and liquidity risk.

*Interest rate risk*

Interest rate risk is managed with a mixture of fixed and floating rate debt.

*Foreign currency risk*

The Federation is not exposed to fluctuations in foreign currencies.

*Liquidity risk*

The federation manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

**(b) Financial Instrument Composition and Maturity Analysis**

The tables below reflect the undiscounted contractual settlement terms for financial instruments of a fixed period of maturity, as well as management's expectations of the settlement period for all other financial instruments. As such, the amounts may not reconcile to the balance sheet.

	Weighted Average Effective Interest Rate		Floating Interest Rate		Within 1 Year		Fixed Interest Rate Maturing 1 to 5 years	
	2009	2008	2009	2008	2009	2008	2009	2008
	%	%	\$	\$	\$	\$	\$	\$
<b>Financial Assets:</b>								
Cash and cash equivalents	2.59	5.59	511,520	375,045	-	-	-	-
Receivables	-	-	-	-	-	-	-	-
<b>Total Financial Assets</b>			<b>511,520</b>	<b>375,045</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

	Non-interest Bearing		Total	
	2009	2008	2009	2009
	\$	\$	\$	\$
<b>Financial Assets:</b>				
Cash and cash equivalents	-	-	511,520	375,045
Receivables	337,916	381,611	337,916	381,611
<b>Total Financial Assets</b>	<b>337,916</b>	<b>381,611</b>	<b>849,436</b>	<b>756,656</b>

	Weighted Average Effective Interest Rate		Floating Interest Rate		Within 1 Year		Fixed Interest Rate Maturing 1 to 5 years	
	2009	2008	2009	2008	2009	2008	2009	2008
	%	%	\$	\$	\$	\$	\$	\$
<b>Financial Liabilities:</b>								
Bank loan secured	7.12	7.12	-	-	-	-	1,408,202	1,408,202
Trade and other payables	-	-	-	-	-	-	-	-
<b>Total Financial Liabilities</b>			<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,408,202</b>	<b>1,408,202</b>

	Non-interest Bearing		Total	
	2009	2008	2009	2008
	\$	\$	\$	\$
<b>Financial Liabilities:</b>				
Bank loan secured	-	-	1,408,202	1,408,202
Trade and other payables	612,423	602,095	612,423	602,095
<b>Total Financial Liabilities</b>	<b>612,423</b>	<b>602,095</b>	<b>2,020,625</b>	<b>2,010,297</b>

**AUSTRALIAN NURSING FEDERATION - FEDERAL OFFICE**  
**ABN: 41 616 898 298**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009**

**Note 20 Federation Details**

The registered office of the federation is:

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

The principle 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**  
**COUNCILLORS' STATEMENT**

The Councillors declare that:

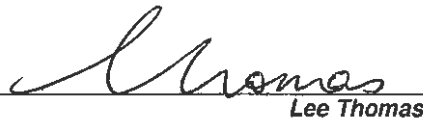
1. The financial statements and notes, as set out on pages 3 to 17, are in accordance with the Workplace Relations Act 1996 and:
  - (a) comply with Australian Accounting Standards and with the reporting guidelines of the Industrial Registrar; and
  - (b) give a true and fair view of the financial position as at 30 June 2009 and of the performance for the year ended on that date of the Federation.
2. In the Councillors' 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 2009 and since the end of the year:
  - (a) meetings of the Councillors 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
  - (e) no request has 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 and passed in accordance with a resolution of the Federal Council dated 17 September 2009

Federal  
Secretary

  
Gerardine Kearney

Assistant  
Federal  
Secretary

  
Lee Thomas

Dated 17th September 2009

**INDEPENDENT AUDIT 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 the Australian Nursing Federation - Federal Office, which comprises the balance sheet as at 30 June 2009, 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.

***The responsibility of the Councillors' 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. 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 judgement, 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 directors, as well as evaluating the overall presentation of the financial report.

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

***Independence***

In conducting our audit, we have complied with the independence requirements of the Australian Professional Ethical pronouncements.

***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 the Workplace Relations Act 1996.

- a. giving a true and fair view of the Federation's financial position as at 30 June 2009 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1; and
- b. the Federation kept satisfactory accounting records for the year ended 30 June 2009, which detailed the sources and nature of the income of the Federation (including income from members) and the nature and purpose of expenditure; and
- c. all information and explanations that are required by the RAO schedule of the Workplace Relations Act 1996 have been provided by officers and employees of the Federation.



Bell Partners  
Chartered Accountants



Robert H Wald, FCA  
Partner, RCA 10418

17 September 2009

Level 7, 468 St. Kilda Road, Melbourne