



FAIR WORK
AUSTRALIA

13 January 2012

Ms Yvonne Falckh
Branch Secretary
Australian Nursing Federation
PO Box 42533
CASUARINA NT 0811

By email: secretary@anfnt.org.au

Dear Ms Falckh

**Financial report for year ended 30 June 2011 – FR2011/2578
Fair Work (Registered Organisations) Act 2009 – (RO Act)**

I acknowledge receipt of the financial report for year ended 30 June 2011 for the Northern Territory Branch of the Australian Nursing Federation (the reporting unit). The document was lodged with Fair Work Australia (FWA) on 12 January 2012.

The financial report has been filed but there are numerous matters which will require the reporting unit's attention when preparing financial documents in future. The same issues that appeared in last year's financial report were repeated this year. It is imperative that the necessary changes outlined below are implemented in future financial reports. Failure to do so may result in the non-filing of future reports and the reporting unit will be requested to repeat procedural steps and to provide further information in accordance with the RO Act.

A copy of this letter has been forwarded to the reporting unit's auditor to assist in future compliance.

1. Auditor's report - scope of audit must include committee of management statement

The scope of the auditor's report correctly included an audit of the committee of management statement. However, the audit report (signed on 30 August 2011) pre-dated the committee of management statement (signed on 12 September 2011). Therefore, the auditor could not have audited the committee of management statement because the statement did not exist the day the audit report was signed. The committee of management statement must be prepared (resolutions passed) and signed **before** the auditor's report is signed because this statement must be included in the audit.

Generally, a reporting unit will hold **two meetings of the committee of management**. The first meeting is to pass the resolution contained in the committee of management statement and to prepare the operating report, and the second meeting is to present the full report (which includes the auditor's report, operating report, committee of management statement and the financial statements) to the committee of management. It appears from the lodged documents that only one meeting was held to simultaneously pass the resolution for the committee of management statement, to prepare operating report and to present the full report. This cannot be done as it prevents the reporting unit from complying with requirements under the RO Act.

2. Updating references to Fair Work (Registered Organisations) Act 2009

The RAO Schedule of the *Workplace Relations Act 1996* has been superseded by the *Fair Work (Registered Organisations) Act* since 2009. Please update the legislative references using the following table as a guide:

Superseded legislation/term	Current legislation/term
RAO Schedule/ Schedule 1B of the Workplace Relations Act 1996	Fair Work (Registered Organisations) Act 2009
RAO Regulations	Fair Work (Registered Organisations) Regulations 2009
Industrial Registrar/ Registrar	General Manager
Commission	Fair Work Australia

The superseded references appeared in the committee of management statement, auditor's report, operating report and Notes to the financial report. These templates should be corrected immediately.

3. Provisions for annual leave and long service leave - Note 12 (page 17)

It is a requirement under the Reporting Guidelines of the General Manager for the reporting unit to disclose in the Notes to the financial statement or on the face of the Balance Sheet, **separate figures** for employee benefits in respect of holders of offices [RG 14(c)] and employee benefits in respect of employees other than holders of offices [RG 14(d)].

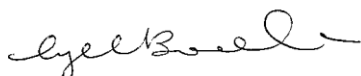
Note 12 of the lodged financial report only provided aggregate figures and did not disclose separate amounts for office holders and other employees for each of the leave provisions. Please ensure this is done in future.

4. Recovery of wages

There appears to be no information relating to any recovery of wages activity in the lodged documents. There are financial reporting obligations regarding the recovery of wages activity under RG 16 to 12 and 25(f) of the Reporting Guidelines. If there have been no such activity, the committee of management statement or the auditor's report should provide a statement to this effect to show that the reporting unit is aware this obligation.

If you have any questions regarding this letter please do not hesitate to contact me on (03) 8661 7989 (Tuesdays – Fridays) or by email at cynthia.lobooth@fwa.gov.au

Yours sincerely



Cynthia Lo-Booth
Organisations, Research and Advice

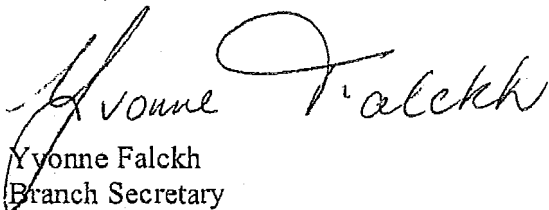
Copy: Ms Susanne Lee
Sue Lee & Associates CPA
suelee@bigpond.net.au

AUSTRALIAN NURSING FEDERATION NORTHERN TERRITORY BRANCH

Designated Officer's Certificate

I Yvonne Falckh being the Branch Secretary of the Australian Nursing Federation, Northern Territory Branch, (ANF NT) certify:

- That the documents lodged herewith are copies of the full report, and
- That the full report was presented to the committee of management (Branch Council Executive and Councilors) of the reporting unit on 12th September 2011 in accordance with section 266 of the Fair Work (Registered Organisations) Act 2009.
- Members were advised of the report and where to view the report, in the Australian Nursing Journal, Northern Territory newsletter insert, in the August/September edition. This is posted to every member.
- That the full report was provided to members on 12th September by way of placing the Audited report on the ANF NT website.



Yvonne Falckh
Branch Secretary
Australian Nursing Federation
NT Branch
10th January 2012

FR2011/2578



Australian Nursing Federation
Northern Territory Branch

ABN 85 434 337 677

General Purpose Financial Report
for the year ended 30 June 2011

Australian Nursing Federation (NT)

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FOR THE YEAR ENDED 30 JUNE 2011

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Committee of Management Statement

On 12 September 2011 the Committee of Management of Australian Nursing Federation passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2011:

The Committee of Management declares in relation to the GPFR that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) 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; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
 - (iv) where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
 - (iv) the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar; and
 - (v) there has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.

For Committee of Management: Shirel Nomoa

Title of Office held: President

Signature:



Date:

12/09/2011

Operating Report

I, Yvonne Falckh, being the designated officer responsible for preparing this report for the financial year ended 30 June 2011 of the Australian Nursing Federation, Northern Territory Branch, report to the best of my knowledge as follows:

a) Principal Activities

The principle activities of the Australian Nursing Federation are the provision of professional and industrial support to our members

b) Significant Financial Changes

There were no significant changes in the Australian Nursing Federation's financial affairs during the period to which this report relates.

c) Member's advice

- (i) under section 174 of the Registration and Accountability of Organisations schedule (RAO), a member may resign from membership by written notice addressed and delivered to the Branch Secretary in which he or she is a member. (Rule 10 (b) (i) Australian Nursing Federation Federal Rules 1994).
- (ii) The register of members of the Australian Nursing Federation, Northern Territory Branch, was maintained in accordance with the RAO.
- (iii) Section 272 of the RAO outlines members and the registrar's rights to certain prescribed information.

d) To the best of my knowledge there are no officers or members of the Australian Nursing Federation who are

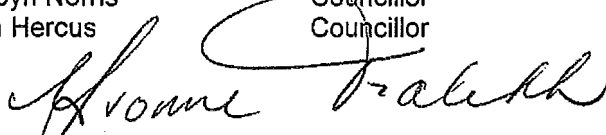
- (i) a trustee of a superannuation entity or an exempt public sector superannuation scheme; or
- (ii) a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme.

e) Prescribed and other information

- (i) As at 30 June 2011 to which this report relates, the number of members of the Australian Nursing Federation, Northern Territory Branch was 2,239
- (ii) As at 30 June 2011, the total number of employees employed by the reporting entity was 6
- (iii) the current office bearers for the financial year were

Yvonne Falckh	Branch Secretary
Shirel Nomoa	President
Frank Pearson	Vice President
Karen Brown	Executive
Simon Murphy	Councillor
Annalie Fitzpatrick	Councillor
Robyn Norris	Councillor
Jan Hercus	Councillor

Signature



Date:

12th September 2011

SUE LEE & ASSOCIATES CPA

CERTIFIED PRACTISING ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AUSTRALIAN NURSING FEDERATION - NORTHERN TERRITORY BRANCH

Report on the Financial Report

I have audited the accompanying financial report of Australian Nursing Federation Northern Territory Branch which comprises the balance sheet as at 30 June 2011 and the income and expenditure statement, and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the committee of management's statement.

Committee's Responsibility for the Financial Report

The committee of management and the branch secretary are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Workplace Relations Act 1996. This responsibility 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.

Matters relating to the Electronic Presentation of the Audited Financial Report.

This audit report relates to the financial report of the Australian Nursing Federation Northern Territory Branch for the year ended 30 June 2011 and is included on the web. This audit report refers only to the statements named below. It does not provide an opinion on any other information that may have been hyper linked to/from these statements. If the users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on the web.

Auditor's Responsibility/Scope

My responsibility is to express an opinion on the financial report based on my audit. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I 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 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 committee of management, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

SUE LEE & ASSOCIATES CPA

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AUSTRALIAN NURSING FEDERATION - NORTHERN TERRITORY BRANCH

Independence

In conducting my audit, I have complied with the independence requirements of Australian professional ethical requirements.

Auditor's Opinion

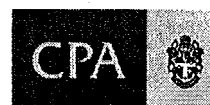
In my opinion the financial report presents fairly, in all material aspects, the financial position of Australian Nursing Federation - Northern Territory Branch as at 30th June 2011 and its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the requirements of the Reporting Guidelines of Part 3 of Chapter 8 of Schedule 1B of the Workplace Relations Act 1996.



SUSANNE LEE, CPA

DATED: 30/08/2011

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under Professional Standards legislation



Australian Nursing Federation Northern Territory Branch Income Statement

FOR THE YEAR ENDED 30 JUNE 2011

		2011	2010
		\$	\$
Revenue	4	1,099,595	934,729
Depreciation and amortisation expenses	5	(8,064)	(6,450)
Wages and salaries	5	(463,624)	(399,178)
Superannuation	5	(36,367)	(48,285)
Other expenses	6	(264,253)	(323,142)
Net profit for the period		<u>327,287</u>	<u>157,674</u>

This Income Statement should be read in conjunction with the accompanying notes.

Australian Nursing Federation Northern Territory Branch

Balance Sheet

AS AT 30 JUNE 2011

	Notes	2011 \$	2010 \$
CURRENT ASSETS			
Cash	14	750,968	714,317
Receivables	7	67,166	663
Prepayments	8	3,042	19,385
TOTAL CURRENT ASSETS		821,176	734,365
NON – CURRENT ASSETS			
Property, plant and equipment	9	1,215,890	223,794
TOTAL NON – CURRENT ASSETS		1,215,890	223,794
TOTAL ASSETS		2,073,065	958,159
CURRENT LIABILITIES			
Payables	10	173,069	169,801
GST Liabilities		8	(139)
Wages Accrual		8,715	6,008
Provision for annual leave	12	87,827	79,089
TOTAL CURRENT LIABILITIES		269,619	254,759
NON – CURRENT LIABILITIES			
Provision for long service leave	12	47,926	17,314
Interest bearing liabilities	11	707,568	1,422
TOTAL NON – CURRENT LIABILITIES		755,494	18,736
TOTAL LIABILITIES		1,025,113	273,495
NET ASSETS		1,011,952	684,664
Accumulated Funds	13	1,011,952	684,664
MEMBER'S FUNDS		1,011,952	684,664

The balance sheet should be read in conjunction with the accompanying notes

Australian Nursing Federation Northern Territory Branch
Statement of Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2011

	Note	Retained Earnings
Balance at 30 June 2010		684,664
Profit attributable to members	13	327,288
Balance at 30 June 2011		1,011,952

The Statement of Changes in equity should be read in conjunction with the accompanying notes.

Australian Nursing Federation Northern Territory Branch
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2011

	Notes	2011 \$	2010 \$
CASH FLOW STATEMENT			
<i>Net cash flows from operating activities</i>	14b	330,663	184,526
<i>Cash flows from Investing Activities</i>			
Acquisition of property, plant & equipment		(1,000,160)	0
<i>Net Cash Flows from investing activities</i>		(1,000,160)	0
<i>Cash flows from Financing Activities</i>			
Repayments of borrowings		(93)	(9,564)
New Borrowings		706,240	
<i>Net cash flows from financing activities</i>		706,147	(9,564)
<i>Net increase in cash held</i>		36,650	174,962
Add opening balance carried forward		714,317	539,355
<i>Closing cash carried forward</i>	14a	750,968	714,317

The cash flow statement should be read in conjunction with the accompanying notes.

Australian Nursing Federation Northern Territory Branch
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2011

NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Overview

The financial report covers Australian Nursing Federation Northern Territory Branch ("the Branch") as an individual entity. The Australian Nursing Federation Northern Territory Branch is a registered industrial body under the Workplace Relations Act 1996.

Basis of Preparation of the Financial Report

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the requirements of the Workplace Relations Act 1996.

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

Australian Accounting Standards require a statement of compliance with International Financial Reporting Standards (IFRS) to be made where the financial report complies with these standards. Some Australian equivalents to IFRS and other Australian Accounting Standards contain requirements specific to not-for-profit entities that are inconsistent with IFRS requirements. The Branch is a not for profit entity and has applied these requirements, so while this financial report complies with Australian Accounting Standards including Australian Equivalents to International Financial Reporting Standards it cannot make this statement. There has been no accounting standards issued which will have a financial impact on the financial report in future periods and which are not yet effective.

The following is a summary of the significant accounting policies adopted by the economic entity in the preparation of the financial statements. The accounting policies have been consistently applied unless otherwise stated.

1.1 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Branch and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised.

Grants are recognised when they are received. All revenue is stated net of the amount of goods and services tax (GST).

Interest income is recognised as interest accrues using the effective interest method.

1.2 Provision for Employee Entitlements

Liabilities for services rendered by employees are recognised at the reporting date to the extent that they have not been settled. Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries and annual leave which will be settled after one year have been measured at their nominal amount. Other employee entitlements payable later than one year have been measured at the present value of management's best estimates of the expenditure required to settle the present obligation at the balance sheet date using discounted cash flow.

The liability for employee benefits includes provision for annual and long service leave. No provision has been made for sick leave.

The leave liabilities are calculated on the basis of employees' remuneration, including the Branch's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

Australian Nursing Federation Northern Territory Branch
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2011

Superannuation

The Branch complies with the requirements of superannuation choice legislation.

1.3 Borrowing Costs

All borrowings are expensed as incurred.

1.4 Cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks net of outstanding bank overdrafts.

1.5 Financial Instruments

Initial Recognition

Financial assets and financial liabilities are recognised in the balance sheet when the Branch becomes a party to the contractual provisions of the instrument.

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are carried at cost or amortized cost in the balance sheet. Amortization is determined using the effective interest rate method. Effective interest rate method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period. Income is recognised on an effective interest basis. Gains and losses are recognised in the income statement when the loans and receivables are de-recognised or impaired and through amortization process.

This category includes the Branch's receivables (Note 7).

Other Financial Liabilities

This classification pertains to financial liabilities that are not held for trading. Included in this category are liabilities arising from operations or borrowings. The financial liabilities are recognised initially at fair value.

This category includes the Branch's payables and interest bearing liabilities (Notes 10 and 11).

De-recognition of Financial Assets and Liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or has expired.

Impairment of Financial Assets

The carrying amounts of property, plant & equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is recognised in the income statement for the amount by which the assets carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the assets fair value less cost to sell and value in use. For the purpose of assessing value in use, this represents depreciated current replacement cost as the Branch is a not-for-profit organisation.

Australian Nursing Federation Northern Territory Branch
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2011

1.6 Property, plant and equipment

Initial Recognition and Subsequent Measurement

Property, plant and equipment are initially carried at cost less accumulated depreciation and any accumulated impairment losses. Costs incurred on property, plant and equipment subsequent to initial acquisition are capitalized when it is probable that the future economic benefits in excess of the originally assessed performance of the asset will flow to the Branch in future years. All other costs are accounted as repairs and maintenance and are recognised in the statement of income as incurred.

The Branch has adopted a policy of expensing capital items with a purchase value of less than \$5,000.

Depreciation

Depreciation on property, plant and equipment is calculated on the reducing balance method and is charged against income so as to provide for the write down of cost over the estimated life of the asset to the Branch.

	2011	2009
Office Equipment	15%	15%
Furniture and Fixtures	15%	15%
Darwin Office	2%	2%
Office Fit-Out	5%	5%

De-recognition

An item of property, plant and equipment is de-recognised upon disposal or when no further future economic benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the income statement.

1.7 Taxation

The Branch is exempt from all forms of taxation except for fringe benefits tax (FBT) and the goods and services (GST).

Revenues, expenses and assets are recognised net of GST:

- except where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- except for receivables and payables.

NOTE 2 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

Estimates and judgements are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical accounting estimates and assumptions

The Branch makes estimates and assumptions concerning the future. The resulting accounting estimates by definition seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

(b) Critical judgements in applying the Branches accounting principles

There are no accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to carrying amounts of assets and liabilities within the next accounting period.

Australian Nursing Federation Northern Territory Branch
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2011

NOTE 3 INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of the Workplace Relations Act, 1996, as amended, the attention of members is drawn to the provisions of subsections (1), (2), (3), (4), (5) and (6) of Section 272 which reads as follows:

(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).

(4) A Register may only make an application under subsection (1) at the request of a member of the reporting unit concerned, and the Register must provide to a member information received because of an application made at the request of the member.

(5) A general purpose financial report prepared under section 253, a concise report prepared under section 256 and a report prepared under subsection 270 (4) must include notice drawing attention to subsections (1), (2) and (3) of this section and setting out those subsections.

(6) Without limiting the information that may be prescribed under subsection (1), the information prescribed must include details (including the amount) of any fees paid by the reporting unit for payroll deduction services provided by a person who is an employer of:

1. the member making the application for information; or
2. the member at whose request the application was made.

	2011	2010
	\$	\$
NOTE 4: REVENUE FROM ORDINARY ACTIVITIES		
Revenues from operating activities		
Subscriptions	1,003,861	862,503
Sponsorships	13,236	5,000
Sundry Income	17,346	11,444
Total revenues from operating activities	1,034,443	878,947
Revenues from non – operating activities		
Interest received	45,562	25,644
Workers Comp Received	19,590	30,138
Total revenues from non-operating activities	65,152	55,782
Total revenues from ordinary activities	1,099,595	934,729

NOTE 5: EXPENSES

Depreciation of non – current assets		
Office Software	3,660	2,046
Office Darwin	4,404	4,404
Total depreciation of non fixed assets	8,064	6,450

Australian Nursing Federation Northern Territory Branch
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2011

	2011	2010
	\$	\$
NOTE 5: EXPENSES (cont)		
Salaries & On Costs		
Appointed Employees		
A/E Wages & Salaries	\$240,318	\$230,745
A/E Superannuation	\$23,344	\$22,482
A/E Super Extra	\$17,192	\$15,195
A/E NT Allowance	\$93	\$527
A/E Provision for Annual Leave	\$4,485	\$18,463
A/E Provision Long Service Leave	\$3,733	\$2,656
Other Employer Expenses	\$59	\$0
Total Appointed Employees	\$289,224	\$290,068
Office Holders		
O/H Wages & Salaries	\$124,923	\$120,197
O/H Superannuation	\$13,023	\$10,608
O/H Qualification Allowance	\$3,119	\$2,927
O/H Vehicle Allowance	\$5,200	\$5,200
O/H Provision for Annual Leave	\$4,253	\$18,463
O/H Provision Long Service Leave	\$26,879	\$0
Total Office Holders	\$177,397	\$157,395
Other Employment Expenses		
Workers Compensation	\$7,864	\$7,236
Workers Comp Claim	\$1,243	\$41,036
Payroll Tax	\$23,005	\$21,901
Staff Amenities	\$1,258	\$841
Total Other Employment Expenses	\$33,370	\$71,015
Total Salaries & On-Costs	\$499,991	\$518,478

NOTE 6: OTHER EXPENSES

Accountancy and audit fees	5,000	5,000
Advertising and promotion	1,555	1,574
Affiliation fees	7,684	5,330
Airfares	14,070	20,814
Bank charges and fees	13,317	10,308
Bookwork	8,003	0
Capitation Fees	34,944	29,868
Consultants Fees	1,533	0
Computer expenses	13,557	12,979
Car Parking	215	0
Donations and gifts	5,317	114
Electricity	4,271	4,080
Insurance	21,150	24,274
Interest paid on loans	1,510	136

Australian Nursing Federation Northern Territory Branch
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2011

	2011	2010
	\$	\$
Legal expenses	6,315	24,019
Merchandise	9,211	6,818
Photocopier rent and maintenance	10,002	9,486
Postage and shipping	6,035	7,365
Printing and stationery and Publications	2,826	3,961
Occupancy Costs	7,871	6,786
Subscriptions	39,864	35,545
Telephone	12,014	14,333
Training course and conference fees	18,532	17,016
Campaigns & Functions	19,268	12,108
Bad Debts	189	0
	264,253	323,142

NOTE 7: RECEIVABLES

Sundry and Other Debtors	67,166	663
	67,166	663

NOTE 8: PREPAYMENTS

Prepayments	3,042	19,385
	3,042	19,385

NOTE 9: PROPERTY, PLANT AND EQUIPMENT

Office - Software

Unison Data Base at Cost	18,300	18,300
Depreciation Expense	(5,706)	(2,046)
Written down value	12,594	16,254

Darwin Office

Carrying amount at beginning	229,560	229,560
Depreciation expense	(26,424)	(22,020)
Written down value	203,136	207,540

Coconut Grove Building

At Cost	1,000,160	0
Depreciation Expense	0	0
Written Down Value	1,000,160	0

TOTAL PROPERTY, PLANT AND EQUIPMENT

	1,215,890	223,794
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NOTE 10: PAYABLES

Trade creditors and accruals	12,897	41,602
Subscriptions in advance	160,180	128,060
	173,077	169,662

NOTE 11: INTEREST BEARING LIABILITIES

Interest bearing liabilities (current)

Borrowings secured by mortgage:		
- bank loans	707,568	1,422
	707,568	1,422

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	2011	2010
	\$	\$
NOTE 12: PROVISIONS		
Annual leave – current	87,827	79,089
Long Service Leave – non-current	47,926	17,314
	<u>135,753</u>	<u>96,403</u>
NOTE 13: ACCUMULATED FUNDS		
Accumulated surplus at start of year	684,664	526,990
Surplus for the year	327,288	157,674
Accumulated Funds	<u>1,011,952</u>	<u>684,664</u>

NOTE 14: STATEMENT OF CASH FLOWS

a) Reconciliation of cash

Cash balance comprises:

- Cash on hand	350	200
- Cash in bank	750,618	714,117
	<u>750,968</u>	<u>714,317</u>

b) Reconciliation of the operating (deficit) to the net cash flows from operations:

Operating profit after tax	327,287	157,674
Depreciation	8,064	6,450
Operating Profit before changes in working capital and provisions	335,351	164,124
(Increase)/ decrease in receivables	(66,503)	382
Decrease/ (increase) in prepayments	16,343	1,812
Increase/ (decrease) in payables/other	6,122	(9,976)
Increase/(decrease) in provisions for employee entitlements	39,350	28,184
Net cash flows provided by operating activities	<u>330,663</u>	<u>184,526</u>

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NOTE 15. FINANCIAL INSTRUMENTS

The carrying values of financial assets and financial liabilities as of June 30, 2011 and 2010 are presented below:

	2011 \$	2010 \$
Financial assets:		
Bank and receivables:		
Cash in bank	750,968	714,318
Receivables	67,166	663
Prepayments	3,042	19,385
	821,176	734,366
Financial liabilities:		
Other Liabilities:		
Subscriptions in Advance	160,180	128,060
Trade creditors and accruals	12,889	41,741
Interest bearing liabilities	1,328	1,422
Loan	706,240	0
	880,637	171,223

A long term fair value has not been calculated.

The Branch's business activities are exposed to a variety of financial risks, which include credit risk, liquidity risk and market risk. Management ensures that it has sound policies and strategies in place to minimize potential adverse effects of these risks on the Branch's financial performance.

(a) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Branch. Credit risk arises from deposits with banks and receivables from third parties. The maximum exposure to credit risk at balance date is the carrying amount of financial assets as disclosed in the statement in the balance sheet and notes to the financial statements.

The Branch does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Branch.

(b) Liquidity risk

Liquidity risk refers to the risk that the Branch will not be able to meet its financial obligations as they fall due and lack of funding to finance its growth and capital expenditures and working capital requirements.

The following summarizes the maturity profile of the Branch's non-derivative financial liabilities based on contractual undiscounted payments:

At June 30, 2011

	On Demand-1 Year \$	1-5 Years \$	> 5 Years \$	Total \$
Trade creditors and accruals	12,889	0	0	12,889
Interest bearing liabilities	70,910	283,641	1,063,649	1,418,200
	83,799	283,641	1,063,649	1,431,089

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At June 30, 2010

	On Demand-1 Year \$	1-5 Years \$	>5 Years \$	Total \$
Trade creditors and accruals	38,569			0
Interest bearing liabilities		1,422	0	
	38,569	1,422	0	0

(c) Market risk

Market risk refers to the risk that changes in market prices, such as foreign exchange rates, interest rates and other market prices that will affect the Branch's income or the value of its holdings of financial statements.

The Branch is only subject to risk on changes in interest rates.

Interest rate risks

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due changes in market interest rates.

The Branch's exposure to the risk of changes in market interest rates relates primarily to the interest bearing liabilities, which are subject to floating interest rates

The following tables show information about the Branch's financial instruments that are exposed to interest rate risk and presented by maturity profile:

At June 30, 2011

	Rate	Amount Borrowed	Terms
Loans			
ME Loan	8.49%(reviewable)	1,328	20 Years
ME Loan	8.03% (fixed)	\$705,000	20 Years

At June 30, 2010

	Rate	Amount Borrowed	Terms
Loans			
ME Loans	8.49%(reviewable)	1,422	20 Years

