



FAIR WORK
COMMISSION

15 August 2013

Ms Yvonne Falckh
Secretary, Northern Territory Branch
Australian Nursing and Midwifery Federation
PO Box 42533
CASUARINA NT 0811

Dear Ms Falckh,

Re: Lodgement of Financial Statements and Accounts - Australian Nursing and Midwifery Federation, Northern Territory Branch - for year ended 30 June 2012 (FR2012/263)

I refer to the above financial statements and accounts which were lodged with the Fair Work Commission on 8 January 2013. A corrected Designated Officer's Certificate was lodged on 13 August 2013.

I have had regard to previous reports and FWC correspondence in my examination of the report. The Branch appears to have complied with those requirements to which its attention has been previously drawn. I have filed the documents.

I wish to clarify correct interpretations of certain provisions in the *Fair Work (Registered Organisations) Act 2009* ('the Act') or Fair Work (Registered Organisations) Regulations 2009 where future reports will more correctly reflect the intent of the legislation. These do not appear to have previously been clarified for the Branch.

The requirement of sub-section 254(2) of the Act that the Operating Report contain a review of the "*principal activities during the year, the results of those activities (my underline emphasis) and any significant changes in the nature of those activities*" means that it should, however briefly, also describe any results that may be said to follow directly from the industrial activities which the Branch's report describes as "the provision of professional and industrial support to our members". The form of a description of results is not otherwise prescribed by the Act.¹

The requirement of Regulation 159(b) that the Operating Report disclose the number of employees measured on a "*full-time equivalent basis*", where both full-time and part-time employees are included, means that, for the avoidance of doubt, the total number of employees disclosed should be expressed "as a full-time equivalent".

The requirement of Regulation 159(c) that the Operating Report disclose the period for which "*each person who has been a member of the Committee of Management at any time during the reporting period.....held such a position*" means that to avoid ambiguity, the period should be clear. If all persons listed held their office for the entire financial year, a simple statement to that effect should be made, otherwise the periods should be explicitly indicated.

¹ Results which the Branch might relevantly describe include things like whether membership had increased, disputes satisfactorily resolved, agreements successfully negotiated, governments successfully lobbied, workplace conditions improved etc. or a brief statement as to whether generally its activities had been successful.

Finally, I note the financial report was lodged on 8 January 2013. This was within the ordinary maximum period allowed for lodgment of the financial report (i.e. 6 months and 14 days after the end of the financial year).

I note however that the meeting at which the report was presented for the purposes of section 266 was held on 8 October 2012. The requirement of section 268 that a copy of the report be lodged “*within 14 days (or such longer period as the General Manager allows)*² after the general (sic)³ meeting referred to in section 266” means that ordinarily the report should have been lodged, in this instance, by 22 October 2012.

To clarify then, the Branch has ordinarily⁴ up till 31 December (i.e. 6 months) to present the report to a second meeting of the committee of management, and, if the second meeting is held on the very latest day ordinarily permissible, i.e. 31 December, up till the following 14 January to lodge the report with the Fair Work Commission.

However, if the Branch presents the report to a second meeting at any time earlier than 31 December, the subsequent 14 day period in which to lodge the report begins from the actual date of that second meeting.

To make this clear, the reporting event sequence contemplated by the Act is as follows:-

- (1) The financial statements are to be prepared in accordance with the applicable Accounting Standards and the Guidelines, and an Operating Report must be prepared in accordance with section 254 and the Guidelines.
- (2) Then the Committee of Management must hold its first meeting and sign the Committee of Management Statement and the Operating Report.
- (3) Then the auditor must sign her audit report.
- (4) All the above documents comprise the full report and may then be provided to the members.
- (5) The full report must then be “presented” formally to a second meeting of the Committee of Management which may be held as soon as conveniently after (4) [or, if it is the desire of the Branch to do so, to a general meeting of the Branch members no earlier than 21 days after (4)].
- (6) A prescribed designated officer (or the Secretary) must then sign a certificate certifying the documents are copies of those provided to members and presented to a second meeting, and certifying the dates and facts of (4) and (5).
- (7) The Branch must then lodge the above documents with the Commission within 14 days after (5).

² Wherever the Act refers to a longer period or later day that the General Manager may allow, it means that effectively a formal extension of time may be allowed upon request by the reporting unit. If a reporting unit, for example, anticipates that it will not be able to lodge the report within 14 days after presentation to the second meeting, it should write to the General Manager requesting a longer period be allowed.

³ Here, “general meeting” means also “committee meeting”. Rule 69.1 of the Federation’s rules allows for 5% of members to request a general meeting to consider the audit report, the general purpose financial report etc. Subsection 266(3) allows for presentation to a second meeting of the committee rather than a general meeting if the organisation or reporting unit has such a rule.

⁴ An extension of up to one month can be obtained under subsection 265(5). The extension is for either extra time to present the report to a second meeting or extra time to provide the report to the members. In either case, the effect is also that the reporting unit may have equivalent extra time to lodge the report with the Fair Work Commission.

You will now be aware that new Reporting Guidelines were issued by the General Manager of the Commission on 26 June 2013. These Guidelines replace the Guidelines previously issued in 2003, and apply to the financial year ending 30 June 2013. I recommend a careful reading of the new Guidelines as they contain additional requirements.

If you wish to discuss any aspect of the financial reporting requirements, please do not hesitate at any time to contact me.

Yours sincerely

A handwritten signature in black ink that reads "Stephen Kellett". The signature is written in a cursive style with a long horizontal stroke extending to the right.

Stephen Kellett
Senior Adviser, Regulatory Compliance Branch

cc. Ms Susanne Lee, CPA (Sue Lee & Associates)

15 August 2013

Ms Susanne Lee CPA
C/- Sue Lee & Associates CPA
100 Ryland Road
RAPID CREEK NT 0810



Dear Ms Lee,

Re: Financial Statements and Accounts - Australian Nursing and Midwifery Federation, Northern Territory Branch- for year ended 30 June 2012 (FR2012/263)

I refer to your Auditor's report in relation to the above financial statements and accounts which were lodged with the Fair Work Commission ('FWC') on 8 January 2013.

I am required to advise where financial documents lodged under the *Fair Work (Registered Organisations) Act 2009* ('the RO Act') will more correctly meet the legislative standards in future.

The Auditor's Report should, in its introductory paragraph where it identifies the statements comprising the financial report, include a reference to the Changes in Equity Statement.¹ I acknowledge that this does not appear to have been raised in previous FWC correspondence.

There are no other issues with the form of the Auditor's Report. I have also clarified for the Branch how particular requirements can be more correctly complied with and I enclose a copy of my letter to the Branch for your record.

I invite you to contact me if at any time you wish to query or discuss any of the financial reporting requirements under the RO Act.

Yours sincerely



Stephen Kellett
Senior Adviser, Regulatory Compliance Branch

cc. Ms Yvonne Falckh, Secretary, Northern Territory Branch

¹ cf. "ICAA Auditing and Assurance Handbook 2012" - ASA 700 paragraphs 23(c) (p.699), A17 (p. 704): "The introductory paragraph in the auditor's report shall....(c) identify the title of each statement that comprises the financial report". cf. subsection 253(2) of the RO Act: "A general purpose financial report must consist of..... (d) any other statements required by the Australian Accounting Standards". cf. "ICAA Financial Reporting Handbook 2012" - AASB 101 paragraph 10 (p.461)

From: [Yvonne Falckh](#)
To: [KELLETT, Stephen](#)
Subject: ANF NT designated officers certificate
Date: Tuesday, 13 August 2013 3:47:36 PM
Attachments: [image001.png](#)
[ANMFNT_desig_cert_130813.pdf](#)

Stephen

Please see attached document – hopefully it is correct. Thanks for your help.

Regards

Yvonne

Yvonne Falckh
NT Branch Secretary
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Federation
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Australian
Nursing &
Midwifery
Federation
NORTHERN TERRITORY

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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 report was tabled to the committee of management (Branch Council Executive and Councilors) of the reporting unit on 9th July 2012
- Members were advised of the report and where to view the report, in the Australian Nursing Journal, Northern Territory Branch. This is posted to every member.
- That the full report was provided to members on 27th July 2012 by way of placing the Audited report on the ANF NT website.
- A notice of the AGM meeting (for the 8th October 2012), was advertised in the Northern Territory News on the 8th September 2012.
- An AGM was called for the 8th October. Unfortunately, the number attending did not comply with the Branch rules. Therefore the full report was presented to the Committee of Management in accordance with section 266 on the 8th October 2012.



Yvonne Falckh
Branch Secretary
Australian Nursing Federation
NT Branch
13th August 2013

Australian Nursing Federation
Northern Territory Branch

ABN 85 434 337 677

General Purpose Financial Report
for the year ended 30 June 2012

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FOR THE YEAR ENDED 30 JUNE 2012

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Australian Nursing Federation Northern Territory Branch

COMMITTEE OF MANAGEMENT STATEMENT

On 9 July 2012 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 2012:

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 Fair Work Australia;
- (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 Fair Work (Registered Organisations) Act 2009; 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 the General Manager of FWA duly made under section 272 of the Fair Work (Registered Organisations) Act 2009 has been furnished to the member or the General Manager of FWA; and
 - (v) there has been compliance with any order for inspection of financial records made by Fair Work Australia under section 273 of the Fair Work (Registered Organisations) Act 2009.
- (f) In relation to recovery of wages activity there has been no such activity undertaken by the reporting unit.

For Committee of Management: Shirel Nomoa

Title of Office held: President

Signature:



Date:

9th July 2012

Australian Nursing Federation Northern Territory Branch

OPERATING REPORT

I, Yvonne Falckh, being the designated officer responsible for preparing this report for the financial year ended 30 June 2012 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, Northern Territory Branch, are the provision of professional and industrial support to our members. S254(2)(a)

There were no significant changes in the nature of the Association's principal activities during the reporting period. S254(2)(a)

b) Significant Financial Changes

There were significant changes in the Australian Nursing Federation, Northern Territory Branch's financial affairs during the period to which this report relates. The Branch sold its existing premises at Casuarina and bought significantly larger premises at Coconut Grove.

c) Member's advice

- (i) under section 254(2)(c) 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 RO Act.
- (iii) S254 of the RO Act outlines members and the registrar's rights to certain prescribed information.

d) Trustee or director of trustee company of superannuation entity or exempt public sector superannuation scheme s254(2)(d)

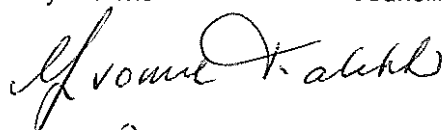
Yvonne Falckh is a trustee of her SMSF (SKIYFG Super Fund)

e) Prescribed and other information

- (i) As at 30 June 2012 to which this report relates, the number of members of the Australian Nursing Federation, Northern Territory Branch was 2400.
- (ii) As at 30 June 2012, the total number of employees employed by the reporting entity was 7
- (iii) the current office bearers for the financial year were

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

Signature:



Date:

24 July 2012

Australian Nursing Federation Northern Territory Branch

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 2012 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 Fair Work (Registered Organisations) Act 2009. 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 2012 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.

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Australian Nursing Federation Northern Territory Branch

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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

- (a) the financial report presents fairly, in all material aspects, the financial position of Australian Nursing Federation - Northern Territory Branch as at 30th June 2012 and its financial performance and its cash flows for the year ended on that date; and
- (b) the financial report is in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the provisions of the Fair Work (Registered Organisations) Act 2009.



SUSANNE LEE, CPA
DATED: 23/07/2012

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Australian Nursing Federation Northern Territory Branch

Income Statement

FOR THE YEAR ENDED 30 JUNE 2012

		2012	2011
		\$	\$
Revenue	4	1,316,534	1,099,595
Depreciation and amortisation expenses	5	(26,806)	(8,064)
Wages and salaries	5	(462,769)	(463,624)
Superannuation	5	(62,093)	(36,367)
Other expenses	6	<u>(370,415)</u>	<u>(264,253)</u>
Net profit for the period		<u>394,451</u>	<u>327,287</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 2012

	Notes	2012 \$	2011 \$
CURRENT ASSETS			
Cash	14	689,494	750,968
Receivables	7	0	67,166
Prepayments	8	0	3,042
TOTAL CURRENT ASSETS		<u>689,494</u>	<u>821,176</u>
NON – CURRENT ASSETS			
Property, plant and equipment	9	<u>1,416,903</u>	<u>1,215,890</u>
TOTAL NON – CURRENT ASSETS		<u>1,416,903</u>	<u>1,215,890</u>
TOTAL ASSETS		<u>2,106,397</u>	<u>2,073,065</u>
CURRENT LIABILITIES			
Payables	10	221,250	173,069
GST Liabilities		-2,153	8
Wages Accrual		11,539	8,715
Provision for annual leave	12	<u>98,277</u>	<u>87,827</u>
TOTAL CURRENT LIABILITIES		<u>328,913</u>	<u>269,619</u>
NON – CURRENT LIABILITIES			
Provision for long service leave	12	36,732	47,926
Interest bearing liabilities	11	<u>334,349</u>	<u>707,568</u>
TOTAL NON – CURRENT LIABILITIES		<u>371,081</u>	<u>755,494</u>
TOTAL LIABILITIES		<u>699,994</u>	<u>1,025,113</u>
NET ASSETS		<u>1,406,403</u>	<u>1,011,952</u>
Accumulated Funds	13	<u>1,406,403</u>	<u>1,011,952</u>
MEMBER'S FUNDS		<u>1,406,403</u>	<u>1,011,952</u>

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 2012

	Note	Retained Earnings
Balance at 30 June 2011		1,011,952
Profit attributable to members	13	394,451
Balance at 30 June 2012		<u>1,406,403</u>

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 2012

	Notes	2012	2011
		\$	\$
CASH FLOW STATEMENT			
<i>Net cash flows from operating activities</i>	14b	537,466	330,663
<i>Cash flows from Investing Activities</i>			
Acquisition of property, plant & equipment		(428,856)	(1,000,160)
Sale of Property		203,136	
<i>Net Cash Flows from investing activities</i>		(225,720)	(1,000,160)
<i>Cash flows from Financing Activities</i>			
Repayments of borrowings		(373,220)	(93)
New Borrowings		0	706,240
<i>Net cash flows from financing activities</i>		(373,220)	706,147
<i>Net increase in cash held</i>		(61,474)	36,650
Add opening balance carried forward		750,968	714,317
<i>Closing cash carried forward</i>	14a	689,494	750,968

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 2012

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

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 Fair Work (Registered Organisations) Act 2009.

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 Fair Work (Registered Organisations) Act 2009.

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.

(a) Basis of Accounting

The accounts have been prepared on the basis of historical costs and do not take into account changing money values or, except where otherwise stated, current valuations of investments and other non-current assets.

Income and expenditure has been brought to account on an accruals basis of accounting so as to match income for the period with expenditure incurred in earning that income.

(b) Recognition of Income

Income, including income from membership fees, interest on investments and rentals is recognised in the accounts at the fair value of the consideration received or receivable.

Income from the supply of goods and services including reimbursements is recognised at the point of delivery of those goods or services, or as and when the reimbursed expense is incurred.

Grants are recognised when they are received. All revenue is stated net of the amount of goods and services tax (GST). Unexpended grants are shown as a liability.

(c) 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.

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.

(c) Superannuation

The Branch complies with the requirements of superannuation choice legislation.

Australian Nursing Federation Northern Territory Branch
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2012

(e) Borrowing Costs

All borrowings are expensed as incurred.

(f) Cash

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

(g) Financial Instruments

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 are non-derivative financial assets with fixed or determinable Gains and losses are recognised in the income statement when the loans and receivables are de-recognised or impaired and through amortisation process.

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

(i) 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.

(j) Property, plant and equipment

Each class of property, plant & equipment is carried at historical cost less, where applicable less any accumulated depreciation. The Branch has adopted a policy of expensing capital items with a purchase value of less than \$5,000.

Depreciation on property, plant and equipment is calculated on the Prime Cost 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.

	2012	2011
Office Equipment	15%	15%
Furniture and Fixtures	15%	15%
Coconut Grove Office	2%	2%
Office Fit-Out	5%	5%

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.

Australian Nursing Federation Northern Territory Branch
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2012

(k) 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:

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.

NOTE 3 FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of subsections (1), (2), (3), of Section 272 which reads as follows:

(1) A member of a reporting unit, or the General Manager of FWA, 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).

NOTE 4 REVENUE FROM ORDINARY ACTIVITIES

	2012	2011
	\$	\$
Revenues from operating activities		
Subscriptions	1,148,118	1,003,861
Sponsorships	5,818	13,236
Sundry Income	8,988	17,346
Total revenues from operating activities	<u>1,162,924</u>	<u>1,034,443</u>
Revenues from non – operating activities		
Interest received	36,465	45,562
Workers Comp Received	0	19,590
Asset Sales	117,145	0
Total revenues from non-operating activities	<u>153,610</u>	<u>65,152</u>
Total revenues from ordinary activities	<u>1,316,534</u>	<u>1,099,595</u>

Australian Nursing Federation Northern Territory Branch
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FOR THE YEAR ENDED 30 JUNE 2012

NOTE 5:	EXPENSES	2012	2011
		\$	\$
	Depreciation of non – current assets		
	Office Software	3,660	3,660
	Office Darwin	3,143	4,404
	Office Coconut Grove	20,003	0
	Total depreciation of non- current assets	<u>26,806</u>	<u>8,064</u>
	Salaries & On Costs		
	Appointed Employees		
	A/E Wages & Salaries	\$282,012	\$240,318
	A/E Superannuation	\$29,009	\$23,344
	A/E Super Extra	\$19,633	\$17,192
	A/E NT Allowance	\$45	\$93
	A/E Provision for Annual Leave	(\$46,476)	\$4,485
	A/E Provision Long Service Leave	(\$24,717)	\$3,733
	Other Employer Expenses	\$0.00	\$59
	Total Appointed Employees	\$259,504	\$289,224
	Office Holders		
	O/H Wages & Salaries	\$127,028	\$124,923
	O/H Superannuation	\$13,451	\$13,023
	O/H Qualification Allowance	\$3,510	\$3,119
	O/H Vehicle Allowance	\$5,200	\$5,200
	O/H Provision for Annual Leave	\$66,296	\$4,253
	O/H Provision Long Service Leave	\$20,761	\$26,879
	Total Office Holders	\$236,245	\$177,397
	Other Employment Expenses		
	Workers Compensation	410	\$7,864
	Workers Comp Claim	0	\$1,243
	Payroll Tax	27,166	\$23,005
	Staff Amenities	1,537	\$1,258
	Total Other Employment Expenses	<u>29,112</u>	<u>\$33,370</u>
	Total Salaries & On-Costs	<u>524,862</u>	<u>\$499,991</u>
	NOTE 6		
	OTHER EXPENSES		
	Accountancy and audit fees	5,000	5,000
	Advertising and promotion	1,206	1,555
	Affiliation fees	7,147	7,684
	Airfares	19,220	14,070
	Bank charges and fees	14,615	13,317
	Bookwork	2,599	8,003
	Capitation Fees	39,168	34,944
	Consultants Fees	409	1,533
	Computer expenses	16,204	13,557
	Car Parking	261	215
	Donations and Gifts	20	5,317
	Electricity	4,440	4,271
	Insurance	53,322	21,150

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Interest Paid on Loans	41,442	1,510
Legal Expenses	18,159	6,315
Merchandise	12,172	9,211
Photocopier Rent and Maintenance	6,976	10,002
Postage and Shipping	4,707	6,035
Printing and Stationery and Publications	3,234	2,826
Occupancy Costs	46,561	7,871
Subscriptions	43,757	39,864
Telephone	11,992	12,014
Training Course and Conference Fees	10,319	18,532
Campaigns & Functions	7,485	19,268
Bad Debts	0	189
	<u>370,415</u>	<u>264,253</u>

NOTE 7 RECEIVABLES

Sundry and Other Debtors	0	67,166
	<u>0</u>	<u>67,166</u>

NOTE 8 PREPAYMENTS

Prepayments	0	3,042
	<u>0</u>	<u>3,042</u>

NOTE 9 PROPERTY, PLANT AND EQUIPMENT

Office - Software

Unison Data Base at Cost	18,300	18,300
Accumulated Depreciation	(9,366)	(5,706)
Written down value	<u>8,934</u>	<u>12,594</u>

Darwin Office

Carrying amount at beginning	229,560	229,560
Accumulated Depreciation	(28,523)	(26,424)
Sale	201,037	0
Written down value	<u>0</u>	<u>203,136</u>

Coconut Grove Building

Office Building at Cost	1,000,160	1,000,160
Accumulated Depreciation	-20,003	0
Office Improvements - WIP	412,974	0
Accumulated Depreciation	0	0
Furniture & Equipment	15,882	0
Accumulated Depreciation	-1,044	0
Written Down Value	<u>1,407,969</u>	<u>1,000,160</u>
TOTAL PROPERTY, PLANT AND EQUIPMENT	<u>1,416,903</u>	<u>1,215,890</u>

NOTE 10 PAYABLES

Trade creditors and accruals	47,213	12,897
Subscriptions in advance	174,037	160,180
	<u>221,250</u>	<u>173,077</u>

NOTE 11 INTEREST BEARING LIABILITIES

Borrowings secured by mortgage:	334,349	707,568
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Australian Nursing Federation Northern Territory Branch
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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	2012	2011
	\$	\$
NOTE 12 PROVISIONS		
Annual leave – Office Holders	66,296	87,827
Annual Leave - Employees	31,981	
Long Service Leave – Office Holders	20,761	47,926
Long Service Leave – Employees	15,971	
Total Provisions	<u>135,009</u>	<u>135,753</u>

NOTE 13 ACCUMULATED FUNDS		
Accumulated surplus at start of year	1,011,952	684,664
Surplus for the year	394,451	327,288
Accumulated Funds	<u>1,406,403</u>	<u>1,011,952</u>

NOTE 14 STATEMENT OF CASH FLOWS

a) Reconciliation of cash

Cash balance comprises:

- Cash on hand	350	350
- Cash in bank	689,144	750,618
Closing cash balance	<u>689,494</u>	<u>750,968</u>

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

Operating profit after tax	394,451	327,287
Depreciation	24,707	8,064
Operating Profit before changes in working capital and provisions	419,158	335,351
(Increase)/ decrease in receivables	67,165	(66,503)
Decrease/ (increase) in prepayments	3,042	16,343
Increase/ (decrease) in payables/other	48,845	6,122
Increase/(decrease) in provisions for employee entitlements	(744)	39,350
Net cash flows provided by operating activities	<u>537,466</u>	<u>330,663</u>

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NOTE 15 FINANCIAL INSTRUMENTS

The carrying values of financial assets and financial liabilities as of June 30, 2012 and 2011 are presented below:

	2012 \$	2011 \$
Financial assets:		
Bank and receivables:		
Cash in bank	689,494	750,968
Receivables	0	67,166
Prepayments	0	3,042
	689,494	821,176
Financial liabilities:		
Other Liabilities:		
Subscriptions in Advance	174,037	160,180
Trade creditors and accruals	42,627	12,889
Interest bearing liabilities	0	1,328
Loan	334,349	706,240
	551,013	880,637

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, 2012

	On Demand-1 Year \$	1-5 Years \$	> 5 Years \$	Total \$
Trade creditors and accruals	47,213	0	0	47,213
Interest bearing liabilities	32,364	129,456	172,529	334,349
	79,577	129,456	172,529	381,562

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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(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.

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. 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, 2012

	Rate	Amount left to Repay	Terms
Loans			
ME Loan	8.49%	\$0	20 years
ME Loan	7.31%	\$334,349	20 Years

At June 30, 2011

	Rate	Amount left to Repay	Terms
Loans			
ME Loan	8.49%	\$1,328	20 Years
ME Loan	8.03%	\$705,000	20 Years

NOTE 16 CONTINGENT LIABILITIES

No contingent liabilities exist as at 30 June 2012.

NOTE 17 EVENTS SUBSEQUENT TO REPORTING DATE

No matters or circumstances, other than those disclosed, have arisen since 30 June 2012 that have significantly affected or may significantly affect the operations, results or state of affairs of the union in the following or future years.

NOTE 18 RELATED PARTY TRANSACTIONS

Entity	Amount Paid
Capitation Fees ANF	\$39,168
Other Affiliations – Unions NT	\$7,147