

FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009

s.269(2)(a) - Reporting unit's financial affairs encompassed by financial affairs of associated State body

Australian Nursing Federation

[FR2011/2574]

CERTIFICATE

On 15 December 2011 an application was lodged under s.269(2)(a) of the *Fair Work (Registered Organisations) Act 2009* (the Act) by the Queensland Branch of the abovenamed organisation for a certificate stating that the financial affairs of the Branch are encompassed by the financial affairs of the *Queensland Nurses' Union of Employees* (the Association) an associated State body, in respect of the financial year ended 30 June 2011.

On 15 December 2011, the Branch also lodged with Fair Work Australia a copy of the audited accounts of the Association and an Operating Report prepared under s.254 of the Act.

On 21 December 2011 the Branch lodged a revised application clarifying a number of points in the original application.

I am satisfied that the Association:

- is registered under the *Industrial Relations Act 1999 (Qld)*, a prescribed State Act; and
- is, or purports to be, composed of substantially the same members as the Branch; and
- has, or purports to have, officers who are substantially the same as designated officers in relation to the Branch; and
- is an associated State body.

I am further satisfied that:

- the Association has in accordance with prescribed State legislation, prepared accounts, had those accounts audited, provided a copy of the audited accounts to its members, and lodged the audited accounts with the relevant State authority; and
- any members of the Branch who are not also members of the Association have been provided with copies of the accounts at substantially the same time as the members of the Branch who are members of the Association; and
- a report under s.254 of the Act has been prepared in respect of the activities of the Branch and has been provided to members of the Branch with the copies of the accounts.

I am satisfied that the financial affairs of the Branch in respect of the financial year ended 30 June 2011 are encompassed by the financial affairs of the Association and I certify accordingly under s.269(2)(a) of the Act.



T. Nassios
Delegate of the General Manager
Fair Work Australia

22 December 2011



22 December 2011

Ms Beth Mohle
Secretary - Queensland Branch
Australian Nursing Federation
GPO Box 1289
BRISBANE QLD 4001

Fair Work
Australia

By email: qnu@qnu.org.au

Dear Ms Mohle,

Re: Application for certificate stating financial affairs of Branch encompassed by financial affairs of associated State body

Financial year ended 30 June 2011 - FR2011/2574

I refer to your application lodged on 15 December 2011 for a certificate to be issued under s.269 of the *Fair Work (Registered Organisations) Act 2009* (the Act) for the Queensland Branch of the Australian Nursing Federation for the financial year ended 30 June 2011.

The application was dated 2 December 2011 and contained a number of inaccuracies. The application stated that the associated State body (*Queensland Nurses' Union of Employees*):

- ...has ...*provided a copy of the audited accounts to its members*
- ...has ...*lodged the audited accounts with the Queensland Industrial Registry ...*
- ...*[A]ll members ... have been provided a copy ... [of the audited accounts and the Operating Report] by publishing the Reports on the Associated State Body's Web site*

However when the relevant website was viewed early on 16 December 2011 the documents did not appear to be available. In addition, the Queensland Industrial Registry has advised this office that the audited accounts were lodged with that office after 2 December 2011.

To remedy these deficiencies a revised application was lodged on 21 December 2011 that confirmed that the accounts were lodged with the Queensland Industrial Registry on 12 December 2011, and the accounts and Operating Report were posted on the website on 16 December 2011 (it appears that the documents were posted on the website that afternoon).

Please note that a s.269 application cannot be granted unless the General Manager of FWA (or his/her Delegate) is satisfied, amongst other things, that the associated State body has complied (past tense) with all of the requirements regarding the preparation, provision and lodgement of documents set out in s.269(2)(b), (c), (d) and (e).

In future you must ensure that all of the requirements of s.269(2)(b), (c), (d) and (e) have been complied with before preparing and lodging an application under s.269.

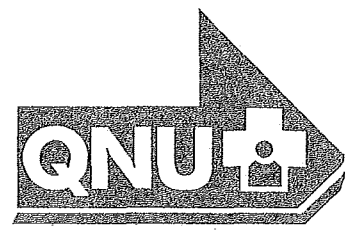
I have granted the application. My certificate is enclosed.

Yours sincerely,

Terry Nassios
Delegate of the General Manager
Fair Work Australia

QUEENSLAND
Nurses' Union of Employees

IN ASSOCIATION WITH AUSTRALIAN NURSING FEDERATION QLD BRANCH



The union for nurses and midwives

GPO Box 1289, Brisbane Q 4001.
Tel: 07 3840 1444 Fax: 07 3217 2794
Email: qnu@qnu.org.au Website: www.qnu.org.au

ABN 84 382 908 052
187 Melbourne Street,
West End Q 4101

Jocelyn Connor

2nd December 2011

The Industrial Registrar
Attn Mr Robert Pfeiffer
Assistant Team Manager
Statutory Services Branch
Australian Industrial Registry
GPO Box 1994S
MELBOURNE VIC 3001



Dear Mr Pfeiffer,

SUBJECT: APPLICATION PURSUANT TO s.269 of SCHEDULE 1 OF THE
WORKPLACE RELATIONS ACT 1996

The ANF (Queensland) makes application pursuant to s.269 of Schedule 1 of the *Workplace Relations Act 1996*, to be taken to have satisfied Part 3 of Schedule 1.

RELIEF SOUGHT

- That the Registrar issues a certificate stating that the financial affairs of the reporting unit are encompassed by the financial affairs of the associated State body.
- That the Reporting Unit is taken to have satisfied Part 3 of Schedule 1 of the *Workplace Relations Act 1996*.

GROUNDINGS AND REASONS

S.269 of Schedule 1 applies to the ANF Queensland Branch (hereinafter referred to as "Reporting Unit") on the following basis:

1. The Queensland Nurses Union (hereinafter referred to as the 'associated State body') is registered as an industrial organisation under the *Industrial Relations Act (QLD) 1999*.
2. The associated State body is composed of the same members as the Reporting Unit.
3. The officers of the associated State body are substantially the same as the officers of the Reporting Unit.

The Reporting Unit is taken to have satisfied Part 3 of Schedule 1 on the following basis:

- a. The associated State body has, in accordance with the *Industrial Relations Act (QLD)*

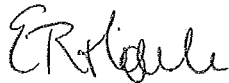
1999, prepared accounts, had those accounts audited, provided a copy of the audited accounts to its members, and lodged the audited accounts with the Queensland Industrial Registry;

- b. A copy of the audited accounts are attached hereto (See Attachment 1);
- c. All members of the Reporting Unit and the associated State body, at substantially the same time, have been provided a copy of the Auditor's Report, Balance Sheet and Statement of Income and Expenditure, free of charge, in accordance with s.510 of the *Industrial Relations Act 1999*, by publishing the Reports on the Associated State Body's Web site, referring to the posting in the bi-monthly journal and having hard copies available for posting if requested;
- d. All members of the Reporting Unit have been provided with a copy of the Operating Report by its publication on the Associated State Body's Web site and notifying that this report has been published by stating the web site where the Report can be obtained in the bi-monthly Journal and
- e. There have been no substantial changes in the reporting unit's financial affairs in the Operating Report.

The ANF Queensland Branch submits that based on the grounds and reasons stated herein and the supporting documentation, the Branch satisfies s.269 of Schedule 1 and consequently seeks the relief as sought in this application.

If you have any queries with regard to this application or seek further supporting evidence, please contact this office.

Yours faithfully



Beth Mohle
Secretary
Queensland Nurses' Union of Employees

Australian Nursing Federation (Queensland Branch)

Operating Report for year ended 30 June 2011 – s254

Principal Activities

The principal activities of the Branch during the reporting period were to provide industrial and professional services to the members, consistent with the objects of the Federation, and particularly the object of protecting and improving the interests of the members. S254(2)(a)

The Branch's principal activities results in maintaining and improving the wages and conditions of employment of the membership. S254(2)(a)

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

There were no significant changes in the reporting units financial affairs for the year.

Manner of Resignation

Members may resign from the Branch in accordance with Rule 10, which reads as follows:

S254(2)(c)

10 – TERMINATION OF MEMBERSHIP

- (a) A member shall cease to be a member when
 - (i) they are expelled for breach of these Rules; or
 - (ii) the period of notice of intention to resign (unless previously withdrawn) has expired; or
 - (iii) they are unfinancial for a period of more than twenty-four (24) months; or
 - (iv) they die
 - (b) (i) A member may resign from membership of the Union by giving Notification in writing. Notification will be taken to have been duly given if:
 - A. it is left at the Union;
 - B. it is addressed to the Union or any officer of the Union and sent to the Union; or
 - C. it is communicated electronically to the Union.
 - (ii) The notice of resignation shall take effect:
 - A. whenever the member ceases to be eligible to become a member of the Union: or
 - (1) on the day on which notice is received by the secretary; or
 - (2) on the day specified in the notice, which is a day not earlier than the day when it is received.
 - (iii) Subject to the provisions of the Industrial Relations Act 1999, any membership fees, subscriptions, levies, fines and dues payable by a former member of the Union at the date on which the resignation takes effect may be sued for and recovered in the name of the Union in a Court of competent jurisdiction as a debt due to the Union.
 - (iv) A notice delivered to the Secretary shall be taken to have been received by the Union when it was delivered.
 - (v) A resignation from membership of the Union is valid even if it is not affected in accordance with this rule if the member is informed in writing by or on behalf of the Union that the resignation has been effected.
- (c) The Council shall not readmit to membership of the Union any person whose Membership was terminated in accordance with this rule unless:-
- (i) The Council is satisfied that the cause which led to the removal no longer exists; and

Such person has paid to the Union such monies which were owing in respect of their earlier membership unless the Council determines otherwise, and subject to the provisions of the Industrial Relations Act 1999.

Trustee or director of trustee company of superannuation entity or exempt public sector superannuation scheme s 254(2)(d)

Lorraine Gay Hawksworth has held the position of director on the Board of Directors of QSuper, fund number 2610 419 41.

Elizabeth Ruth Mohle has held the position of director on the Board of Directors of the trustee company H.E.S.T. Australia Ltd Superannuation fund number 0129638949.

Number of members

The number of persons who, at the end of the reporting period, were recorded on the Register of Members of the Branch was 46,331.

Number of Employees

The number of persons who were, at the end of the reporting period, employees of the Branch was nil.

Members of Committee of Management

The persons who held office as members of the Committee of Management of the Association during the reporting period are:

ANF Council

President	D. Geraghty-Rudd	Sally-Anne Jones (from December 10)
Secretary	L. G Hawksworth	Elizabeth Ruth Mohle (from April 11)
Assistant Secretary	E. Mohle	Desmond John Elder (from April 11)
Vice President	S. Jones	Stephen Bone (from December 10)

Executive Members	K. Volp	S. Pitman
	K. Taggart (from Dec 10)	J Gard (from Dec 10)
	J Burgess (from Dec 10)	S. Cadigan (to Dec 10)
	D. Lewis (to Dec 10)	

Councillors

Continuing:	L. Douglass	J. Matthews	J. Evans	L. Maskell
	J. Clancy	B. Cook	P. Jackson	C. Cooks
	K. Shepherd	S. Mitchell		
To Dec 10:	S. Petersen	S. Eales	L. Maidens	
From Dec 10:	D. Corbett	D. Lawson	B. Steer	K. Cooke
	L. Douglass	M. Price	G. Burton	D. Watt
	J. Coad	C. Dorron	D. Prentice	K. Turnball



Elizabeth Ruth Mohle

**Queensland Nurses Union
of Employees**

30 June 2011

QUEENSLAND NURSES UNION OF EMPLOYEES

30 JUNE 2011

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INDEPENDENT AUDITOR'S REPORT

To the members of Queensland Nurses Union of Employees

Report on the Financial Report

We have audited the accompanying financial report of Queensland Nurses Union of Employees, which comprises the statement of financial position as at 30 June 2011, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, a summary of significant accounting policies other explanatory notes and the management committee's declaration.

Committee's Responsibility for the Financial Report

The management of the organisation are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations). This responsibility also includes establishing and maintaining internal controls 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 accounting bodies.

Auditor's Opinion

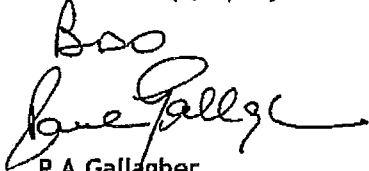
In our opinion the financial report presents fairly, in all material respects, the financial position of Queensland Nurses Union of Employees as of 30 June 2011 and of its financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards (including the Accounting Interpretations).

In our opinion:

- (a) the organisation has kept satisfactory accounting records for the financial period ended June 30, 2011, including records of:
 - (i) the sources and nature of the organisations' income including membership subscriptions and other income from members; and
 - (ii) the nature of and reasons for the organisations' expenditure;
- (b) the financial report for the period ended June 30, 2011 is properly drawn up to give a true and fair view of the organisations':
 - (i) financial affairs as at the end of the year; and
 - (ii) the income and expenditure and surplus or deficit for the year
- (c) the financial report has been prepared in accordance with the Industrial Relations Act 1999, Australian Accounting Standards and other mandatory professional reporting requirements.

Where necessary, we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

BDO Audit (QLD) Pty Ltd


P A Gallagher
Director

Brisbane, 2nd December, 2011

QUEENSLAND NURSES UNION OF EMPLOYEES

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2011**

	Note	2011 \$	2010 \$
Revenue	2	16,890,939	14,836,083
Employee benefits expense		(9,758,901)	(8,863,521)
Depreciation and amortisation expense	3	(556,492)	(469,628)
Members Services expense		(2,365,780)	(1,613,270)
Occupancy expense		(461,770)	(433,942)
Affiliation and capitation expense		(1,052,837)	(927,656)
Administration expenses		(1,564,673)	(1,416,363)
Conference and meeting expenses		(230,405)	(196,111)
Council expenses		(69,328)	(57,317)
(Loss)/Gain on disposal of assets		(56,382)	(31,827)
Profit before income tax		774,372	826,448
Income tax expense	1(e)	-	-
Net profit for the year attributable to the members		774,372	826,448
Other comprehensive income for the year			
Impairment expense		(980,146)	-
Total comprehensive income for the year attributable to the members		(205,774)	826,448

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

QUEENSLAND NURSES UNION OF EMPLOYEES

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2011**

	Note	2011 \$	2010 \$
CURRENT ASSETS			
Cash and cash equivalents	7	6,164,841	5,478,821
Trade and other receivables	8	1,531,332	1,428,182
Short term deposits	9	<u>1,000,000</u>	<u>1,300,000</u>
TOTAL CURRENT ASSETS		<u>8,696,173</u>	<u>8,207,003</u>
NON-CURRENT ASSETS			
Other financial assets	9	158,247	158,247
Property, plant and equipment	10	8,878,725	9,151,931
Intangibles	11	<u>239,935</u>	<u>156,817</u>
TOTAL NON-CURRENT ASSETS		<u>9,276,907</u>	<u>9,466,995</u>
TOTAL ASSETS		<u>17,973,080</u>	<u>17,673,998</u>
CURRENT LIABILITIES			
Trade and other payables	12	2,420,987	2,298,674
Provisions	13	1,228,777	1,146,502
Other liabilities	14	<u>2,347,342</u>	<u>1,986,491</u>
TOTAL CURRENT LIABILITIES		<u>5,997,106</u>	<u>5,431,667</u>
NON-CURRENT LIABILITIES			
Provisions		<u>-</u>	<u>60,583</u>
TOTAL NON-CURRENT LIABILITIES		<u>-</u>	<u>60,583</u>
TOTAL LIABILITIES		<u>5,997,106</u>	<u>5,492,250</u>
NET ASSETS		<u>11,975,974</u>	<u>12,181,748</u>
EQUITY			
Asset Revaluation Reserve	15	3,636,135	4,616,281
Accumulated Funds		<u>8,339,839</u>	<u>7,565,467</u>
TOTAL EQUITY		<u>11,975,974</u>	<u>12,181,748</u>

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

QUEENSLAND NURSES UNION OF EMPLOYEES

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2011**

	Note	2011 \$	2010 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members and others		18,115,470	15,473,290
Interest received		350,127	300,018
Payments to suppliers and employees		(16,676,645)	(14,257,118)
NET CASH PROVIDED BY OPERATING ACTIVITIES	20	<u>1,788,952</u>	<u>1,516,190</u>
 CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		144,213	169,216
Payments for property, plant & Equipment		(1,351,467)	(526,572)
Payment for intangibles		(195,678)	(125,141)
NET CASH USED IN INVESTING ACTIVITIES		<u>(1,402,932)</u>	<u>(482,497)</u>
 CASH FLOW FROM FINANCING ACTIVITIES			
Net movement in short term deposits		300,000	800,000
NET CASH PROVIDED BY FINANCING ACTIVITIES		<u>300,000</u>	<u>800,000</u>
Net Increase/(Decrease) in Cash Held		686,020	233,693
Cash at the Beginning of the Financial Year		5,478,821	5,245,128
Cash at the End of the Financial Year	7	<u>6,164,841</u>	<u>5,478,821</u>

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

QUEENSLAND NURSES UNION OF EMPLOYEES

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2011**

	Note	Retained Profits \$	Asset Revaluation Reserve \$	Total \$
Balance at 1st July 2009		6,739,019	4,616,281	11,355,300
Net Profit/(Loss) for the year		826,448	-	826,448
Other Comprehensive Income		-	-	-
Total Comprehensive Income for the year		826,448	-	826,448
Balance at 30th June 2010		7,565,467	4,616,281	12,181,748
Net Profit/(Loss) for the year		774,372	-	774,372
Other Comprehensive Income/(Loss)		-	(980,146)	(980,146)
Total Comprehensive Income for the year		774,372	(980,146)	(205,774)
Balance at 30th June 2011		8,339,839	3,636,135	11,975,974

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

QUEENSLAND NURSES UNION OF EMPLOYEES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards and Australian Accounting Interpretations adopted by the Australian Accounting Standards Board and the requirements of the Industrial Relations Act 1999. The financial report covers Queensland Nurses Union of Employees as an individual entity. Queensland Nurses Union of Employees is a union formed under the Industrial Relations Act 1999.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial policies adopted in the preparation of these financial statements as presented below and 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) **Property, Plant and Equipment**

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation.

Land and Buildings

Freehold land and buildings are measured on the fair value basis, being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction. It is the policy of the entity to have an independent valuation every three years, with annual appraisals being made by the committee.

The revaluation of freehold land and buildings has not taken account of the potential capital gains tax on assets acquired after the introduction of capital gains tax.

Plant and Equipment

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

QUEENSLAND NURSES UNION OF EMPLOYEES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

The carrying amount of plant and equipment is reviewed annually by the committee of management 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 which will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining recoverable amounts.

(b) Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised leased assets, but excluding freehold land, is depreciated using either the diminishing value method or on a straight line basis over their estimated useful lives to the organisation 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 assets are:

Buildings	2.5%
Plant and Equipment	10% - 37.5%

(c) Employee Benefits

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

QUEENSLAND NURSES UNION OF EMPLOYEES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(d) Operating Leases

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

(e) Taxation

The income of the union is exempt from income tax.

(f) Financial Instruments

Recognition and Initial Measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the union becomes a party to the contractual provisions of the instrument. Financial instruments are initially measured at fair value plus transactions costs.

Classification and Subsequent Measurement

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 association's intention to hold these investments to maturity. They are subsequently measured at amortised cost using the effective interest rate method.

Financial Liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

Impairment

At each reporting date, the union assesses whether there is objective evidence that a financial instrument has been impaired. Impairment losses are recognised in the Statement of Comprehensive Income

(g) Key accounting estimates

The union evaluate estimates and judgements 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.

Key estimates — Impairment

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

QUEENSLAND NURSES UNION OF EMPLOYEES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(h) Comparative Figures

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

(i) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown exclusive of GST.

(j) Revenue

Subscription income is brought to account in the period to which it relates.

Rental income is brought to account in the period to which it relates.

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

Income from the rendering of services is brought to account when the services have been provided to the customer.

(k) Intangible

Software is recorded at cost. Software has a finite life and is carried at cost less any accumulated amortisation and impairment losses. It has an estimated useful life of between two and four years. It is assessed annually for impairment.

(l) Accounting Standards not Previously Applied

The organisation has adopted the following new Australian Accounting Standard issued by the AASB which are mandatory to apply to the current year end. Disclosures required by these Standards that are deemed material have been included in this financial report on the basis that they represent a significant change in information from that previously made available.

AASB 101 prescribes the contents and structure of the financial statements. Changes reflected in this financial report include:

- The replacement of Income Statement with Statement of Comprehensive Income. Items of income and expense not recognised in profit or loss are now disclosed as components of 'other comprehensive income'. In this regard, such items are no longer reflected as equity movements in the Statement of Changes in Equity;
- The adoption of the separate income statement/single statement approach to the presentation of the Statement of Comprehensive Income;
- Other financial statements are renamed in accordance with the Standard

QUEENSLAND NURSES UNION OF EMPLOYEES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

	Note	2011 \$	2010 \$
NOTE 2: REVENUE			
Operating activities			
— subscription income		16,291,005	14,354,291
— rental income		-	-
— interest		365,367	316,317
— rendering of services		86,615	76,327
— sundry income		147,953	89,148
— profit on sale of fixed assets		-	-
		<u>16,890,940</u>	<u>14,836,083</u>

	Note	2011 \$	2010 \$
NOTE 3: PROFIT BEFORE INCOME TAX			
Profit from ordinary activities before income tax expense has been determined after:			
(a) Expenses:			
Depreciation of non-current assets			
— buildings		112,881	101,106
— plant and equipment		338,599	320,823
Total depreciation		<u>451,480</u>	<u>421,929</u>
Amortisation of non-current assets			
— computer software		<u>105,012</u>	<u>48,612</u>
Remuneration of auditor			
— audit		<u>27,500</u>	<u>24,000</u>
(b) Revenue and Net Gains:			
Net loss/(gain) on disposal of plant and equipment		<u>56,382</u>	<u>31,827</u>

NOTE 4: DUAL MEMBERSHIP - AUSTRALIAN NURSING FEDERATION (QUEENSLAND BRANCH)

In accordance with Rule 7 of the Qld Nurses Union of Employees, all members are deemed to be members of the Federation.

NOTE 5: INFORMATION TO BE PROVIDED TO MEMBERS

1. A member of an industrial organisation or the registrar at a member's request, may apply to the organisation for the information prescribed in a regulation.
2. The industrial organisation must give the applicant the information requested in the application in the time and way prescribed under a regulation.
3. If the registrar applies for a member, the registrar must give the member all information given to the registrar.

NOTE 6: KEY MANAGEMENT PERSONNEL COMPENSATION

- a. Income paid or payable to all committee members of the union by the union and any related parties

	Short-term benefits		Long-term benefits	Post employment benefits	Total
	Cash Benefits	Non-Cash Benefits	Movement in Long Service Leave	Superannuation	
2011					
Total compensation	433,390	28,593	3,670	29,920	495,573
2010					
Total compensation	260,157	33,011	25,439	47,520	366,127

b. Retirement and Superannuation Payments

No amounts have been paid to a superannuation plan for the provision of retirement benefits by the entity or any related party for the Management Committee members of the entity or any related party.

QUEENSLAND NURSES UNION OF EMPLOYEES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

NOTE 6: KEY MANAGEMENT PERSONNEL COMPENSATION CONTINUED

The names of committee of management members of the union who have held office during the financial period are:

President: Sally-Anne Jones (from 16 December 2010)
Desley Geraghty-Rudd (to 16 December 2010)

Secretary: Elizabeth R Mühle (from 01 April 2011)
Lorraine Gay Hawksworth (to 01 April 2011)

Asst Secretary: Desmond Elder (from 01 April 2011)
Elizabeth R Mühle (to 01 April 2011)

Vice President: Stephen Bone (from 16 December 2010)
Sally-Anne Jones (to 16 December 2010)

Executive Members:

Julie Gard	Sue Pitman	Katy Taggart
Kym Volp	Julie Burgess	Suzanne Cadigan (to 16/12/10)
David Lewis (to 16/12/10)		

Councillors:

Barbara Cook	Jan Coad	Louise Middleton (to 16/12/10)
Bronwyn Steer	Jane Evans	Lucynda Maskell
Celine Benn (to 16/12/10)	Judith Clancy	Lynda Maidens (to 16/12/10)
Cheryl Dorrón	Judith Matthews	Melanie Price
Christine Cocks	Julie Ann Burgess	Phillip Jackson
Damien Lawson	Karen Cooke	Sandra Eales (to 16/12/10)
Daniel Prentice	Karen Shepherd	Sheryn Petersen (to 16/12/10)
Deborah Watt	Katy Taggart	Simon Mitchell
Dianne Corbett	Kaylene Turnbull	
Grant Burton	Lesley Douglass	

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

	Note	2011 \$	2010 \$
NOTE 7: CASH AND CASH EQUIVALENTS			
Cash on hand		1,580	1,580
Cash at bank		105,003	92,952
Deposits		6,058,258	5,384,289
	20(a)	<u>6,164,841</u>	<u>5,478,821</u>
NOTE 8: TRADE AND OTHER RECEIVABLES			
Current			
Trade debtors		67,058	41,939
Membership fees in arrears		370,215	338,200
Other debtors		118,040	102,800
Prepayments		976,019	945,243
		<u>1,531,332</u>	<u>1,428,182</u>
NOTE 9: OTHER FINANCIAL ASSETS			
Current			
Short term deposits		<u>1,000,000</u>	<u>1,300,000</u>
Non-Current			
Investment in Unit Trust		<u>158,247</u>	<u>158,247</u>

QUEENSLAND NURSES UNION OF EMPLOYEES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

	Note	2011 \$	2010 \$
NOTE 10: PROPERTY, PLANT AND EQUIPMENT			
Land & Buildings			
Land & buildings at independent valuation		7,070,000	7,990,000
Land & buildings at cost		846,924	342,299
Less accumulated depreciation		(17,722)	(200,820)
Total Land & Buildings		<u>7,899,202</u>	<u>8,131,479</u>
Plant & equipment			
Office furniture & equipment		2,379,116	2,459,254
Less accumulated depreciation		(1,399,593)	(1,438,802)
		<u>979,523</u>	<u>1,020,452</u>
Total Property, Plant & Equipment		<u>8,878,725</u>	<u>9,151,931</u>

An independent expert valuation of the property at 187 Melbourne St, West End, QLD 4101 was performed post year-end 30 June 2011 before the audit report was issued and management has adopted the same. The impairment expense was recognised against the existing asset revaluation reserve.

Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant & equipment between the beginning and the end of the current financial year.

	Land & Buildings	Plant & Equipment	Total
	\$	\$	\$
Balance at beginning of year	8,131,479	1,020,452	9,151,931
Additions	860,750	497,770	1,358,520
Disposals	-	200,100	200,100
Impairment	980,146	-	980,146
Depreciation expense	112,881	338,599	451,480
Balance at end of year	<u>7,899,202</u>	<u>979,523</u>	<u>8,878,725</u>

QUEENSLAND NURSES UNION OF EMPLOYEES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

	Note	2011 \$	2010 \$
NOTE 11: INTANGIBLES			
Non-Current			
Computer software - at cost		496,398	315,505
Amortisation of computer software		(256,463)	(158,688)
		<u>239,935</u>	<u>156,817</u>
NOTE 12: TRADE AND OTHER PAYABLES			
Current			
Trade creditors and accruals		818,235	753,601
Employee entitlements		1,260,987	1,254,616
GST Payable		341,765	290,457
		<u>2,420,987</u>	<u>2,298,674</u>
NOTE 13: PROVISIONS			
Current			
Employee entitlements		1,228,777	1,146,502
Non-Current			
Employee entitlements		-	60,583
		<u>1,228,777</u>	<u>1,207,085</u>
NOTE 14: OTHER LIABILITIES			
Current			
Income received in advance		2,347,342	1,986,491
		<u>2,347,342</u>	<u>1,986,491</u>
NOTE 15: RESERVES			
Asset revaluation reserve		3,636,135	4,616,281
		<u>3,636,135</u>	<u>4,616,281</u>

QUEENSLAND NURSES UNION OF EMPLOYEES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

	Note	2011 \$	2010 \$
NOTE 16: CAPITAL AND LEASING COMMITMENTS			
(a) Operating Lease Commitments			
Non-cancellable operating leases contracted for but not capitalised in the financial report:			
Payable:			
- Not later than 1 year		58,939	56,732
- Later than 1 year but not later than 5 years		39,189	98,414
		98,128	155,146

The operating leases are for rental premises.

(b) Capital Commitments

Commitments expected for:

- Printer-Copiers	-	71,500
- Purchase of property	-	495,000
	-	566,500

NOTE 17: CONTINGENT LIABILITIES

No contingent liabilities exist as at 30 June 2011.

NOTE 18: EVENTS SUBSEQUENT TO REPORTING DATE

Subsequent to reporting date, Queensland Nurses Union has purchased a building at 106 Victoria Street, West End, Brisbane for an approx total consideration of \$9.5 million. The settlement of this transaction occurred on 7 October 2011.

No matters or circumstances, other than those disclosed, have arisen since 30 June 2011 that have significantly affected or may significantly affect the operations, results or state of affairs of the union in the following or future years.

QUEENSLAND NURSES UNION OF EMPLOYEES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

NOTE 19: RELATED PARTY TRANSACTIONS

Transactions with related and associated parties are on normal commercial terms and conditions, no more favourable than those available to other parties unless otherwise stated.

Transactions with Other related parties

Expenses Paid to Other related parties for Affiliations during the period ended 30 June 2011

Entity	Amount paid \$
Political Australian Labour Party*	51,666
Other Affiliations	269,522
Australian Nursing Federation	689,887

* Note that the actual remittance was in the prior financial year and the balance above is the allocation of expense to February 2011. No further payments have been made in the current financial year.

Expenses Paid to Council Members during the period ended 30 June 2011

Members	Amount paid \$
Council Meeting Costs -	
Travel & Accommodation	50,792
Meal Allowance	4,791
Union representation outside QNU	5,949
Total Council Meeting Costs	61,532

QUEENSLAND NURSES UNION OF EMPLOYEES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

NOTE 20: CASH FLOW INFORMATION

	Note	2011 \$	2010 \$
(a) Reconciliation of Cash			
Cash at the end of the financial year as shown in the statements of cash flows is reconciled to the related items in the statement of financial position as follows:			
Cash on hand		1,580	1,580
Deposits with financial institutions		6,163,261	5,477,241
	7	<u>6,164,841</u>	<u>5,478,821</u>
(b) Reconciliation of cash flow from operations with profit from ordinary activities after income tax			
Profit from ordinary activities after income tax		774,371	826,448
Non-cash flows in profit from ordinary activities			
- Depreciation		556,492	469,628
- Net loss on disposal of plant and equipment		56,382	31,827
Changes in assets and liabilities, net of the effects of purchase and disposals of subsidiaries:			
- (Increase)/decrease in receivables		(57,133)	(34,016)
- Increase/decrease in other assets		(46,017)	(225,313)
- Increase/(decrease) in Inventory		-	614
- Increase/(decrease) in payables		122,315	109,200
- (Increase)/decrease in provisions		21,691	303,556
- (Increase)/decrease in other creditors		360,851	34,246
Cash flows from operations		<u>1,788,952</u>	<u>1,516,190</u>

NOTE 21: ORGANISATION DETAILS

The registered office of the Union is:

2nd Floor
 QNU Building
 187 Melbourne St
 WEST END
 BRISBANE QLD 4101

QUEENSLAND NURSES UNION OF EMPLOYEES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

NOTE 22: FINANCIAL INSTRUMENTS

(a) Risk Management

The union is exposed to the following risks from their use of financial instruments:

- Market Risk
- Credit Risk
- Liquidity Risk

The Committee has overall responsibility for risk management. The Committee has established risk management policies designed to identify and monitor risks from financial instruments and ensure any adverse effects from these risks are minimized. The Committee meet on a regular basis to review compliance with risk management policy and to analyse financial risk exposure in the context of the current economic environment.

(b) Interest Rate Risk

Interest rate risk is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates. Interest rate risk arises on balances of cash and cash equivalents. The entity minimises this risk by using a term deposit facility. The union is exposed to interest rate risk and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

	Weighted Average Effective Rate		Floating Interest Rate		Fixed Interest Rate Maturing Within			
	2011	2010	2011	2010	1 Year		1 to 5 Years	
	%	%	\$	\$	2011	2010	2011	2010
Financial Assets:								
Cash at bank	4.75%	4.5%	105,003	92,952	-	-	-	-
Deposits	6.02%	5.6%		-	7,058,258	6,684,288	-	-
Total Financial Assets			105,003	92,952	7,058,258	6,684,288	-	-

QUEENSLAND NURSES UNION OF EMPLOYEES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

NOTE 22: FINANCIAL INSTRUMENTS (Continued)

	Year Ended 30 June 2011	Year Ended 30 June 2010
Trade Debtors are expected to be received as follows		
- Less than 6 months		
- 6 months to 12 months	67,058	41,939
Trade and other payables are expected to be paid as follows:		
- Less than 6 months	2,420,987	2,489,599
- 6 months to 12 months		

Sensitivity Analysis

The union has performed a sensitivity analysis relating to its exposure to interest rate risk at balance date. This sensitivity analysis demonstrates the effect on the current year results and accumulated funds which could result from a change in this risk.

Interest Rate Sensitivity Analysis:

At 30 June 2011, the effect on profit and equity as a result of changes in the interest rate, with all other variables remaining constant, would be as follows:

	Year Ended 30 June 2011	Year Ended 30 June 2010
	\$	\$
Change in profit attributable to members		
-Increase in interest rate by 2%	141,165	133,686
-Decrease in interest rate by 2%	141,165	133,686

QUEENSLAND NURSES UNION OF EMPLOYEES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

NOTE 22: FINANCIAL INSTRUMENTS (Continued)

(c) Credit Risk

Credit is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Credit risk arises on trade and other receivables. The objective of the union is to minimise exposure to credit risk.

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

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any provisions for doubtful debts, as disclosed in the statement of financial position and notes to the financial statements.

(d) Liquidity Risk


Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The union does not have any foreseeable reduction in the number of union members. Therefore the exposure to this risk is minimal.

QUEENSLAND NURSES UNION OF EMPLOYEES
CERTIFICATE BY ACCOUNTING OFFICER OF UNION

I, Elizabeth Mohle, hereby certify:-

- (a) I am the officer responsible for the keeping of the accounting and other records of the Queensland Nurses Union of Employees for the twelve months ended 30 June 2011;
- (b) The number of persons at the end of the financial period to which this financial report relates, who were members of the union, was 46,331 with 44,423 financial and 1,908 unfinancial.
- (c) In respect of that financial year, in my opinion:
 - i) the financial report shows a true and fair view of the financial affairs of the Union as at the end of that financial period;
 - ii) a record has been kept of all moneys paid by, or collected from, members of the Union and all moneys so paid or collected have been credited to the bank accounts or accounts to which these moneys are to be credited, in accordance with the rules of the Union;
 - iii) before any expenditure was incurred by the Union, approval of the incurring of the expenditure was obtained in accordance with the rules of the Union;
 - iv) no payment was made out of an account for a purpose other than the purpose for which the account was operated and all payments made were approved in accordance with the rules of the Union;
 - v) no loans or other financial benefits other than remuneration in respect of their full time employment were granted to persons holding office in the Union;
 - vi) the register of members of the Union was maintained in accordance with the Act.


.....
Elizabeth Mohle
Accounting Officer

Dated this 2nd day of December 2011.

QUEENSLAND NURSES UNION OF EMPLOYEES
CERTIFICATE BY THE COMMITTEE OF MANAGEMENT

- (1) In the opinion of the Committee of Management of the Queensland Nurses Union of Employees the accompanying financial report of the Union for the year ended 30 June 2011 was prepared in accordance with the requirements of the Industrial Relations Act 1999 so as to show a true and fair view of the financial affairs of the Union at the end of that financial period.
- (2) The Union was, in the opinion of the Committee, solvent during the whole of the financial period.
- (3) During the financial period, meetings of the Committee of Management were, in the opinion of the Committee, held in accordance with the rules of the Union.
- (4) To the knowledge of any members of the Committee, there have been no instances during the financial year where records of the Union or other documents, or copies of these records or other documents of the Union, have not been furnished or made available to members of the Union in accordance with the Industrial Relations Act 1999, its Regulations and the Rules of the Union.
- (5) The Union has complied with the requirements of the Act in relation to the financial report and auditors report for the financial period immediately preceding the current financial year.

This certificate is made in accordance with a resolution of the Committee of Management and is signed for and on behalf of the Committee.


.....

Elizabeth Mohle


.....

Sally-Anne Jones

Dated this 2nd day of December 2011.

QUEENSLAND
Nurses' Union

IN ASSOCIATION WITH AUSTRALIAN NURSING FEDERATION QLD. BRANCH



ADDRESS ALL CORRESPONDENCE TO THE SECRETARY, GPO BOX 1289, BRISBANE Q 4001

A.B.N. 84 382 908 052

The union for nurses and midwives

IN REPLY PLEASE QUOTE:

21 December 2011

All enquiries regarding this
correspondence should be directed to:

Jocelyn Connor

Ms Bernadette O'Neill
Acting General Manager
Fair Work Australia
GPO Box 1994
MELBOURNE VIC 3001

By email: robert.pfeiffer@fwa.gov.au & melbourne@fwa.gov.au

Attention: Mr Robert Pfeiffer, Assistant Team Manager - Statutory Services Branch

Dear Ms O'Neill

Re: Revised Application pursuant to s.269 of the *Fair Work (Registered Organisations) Act 2009*

We wish to make a revised application as the Financial Accounts and signed, dated Operating Report were not posted to the web site until 16 December. They have now been posted and are readily available.

The ANF (Queensland) makes application pursuant to s.269 of *Fair Work (Registered Organisations) Act 2009*.

RELIEF SOUGHT

- That the Acting General Manager issues a certificate stating that the financial affairs of the Reporting unit are encompassed by the financial affairs of the associated State body.
- That the Reporting Unit is taken to have satisfied s.269 of the *Fair Work (Registered Organisations) Act 2009*.

GROUNDINGS AND REASONS

Section 269 of the *Fair Work (Registered Organisations) Act 2009* applies to the ANF Queensland Branch (hereinafter referred to as "Reporting Unit") on the following basis:

Queensland Nurses' Union of Employees, QNU Building, 187 Melbourne Street, West End, Brisbane, 4101.

Brisbane Office:

G.P.O. Box 1289, BRISBANE 4001
Phone: (07) 3840 1444
Fax: (07) 3844 9387
e-mail: qnu@qnu.org.au Website: www.qnu.org.au

Cairns Office:

P.O. Box 846N, NORTH CAIRNS 4870
Phone: (07) 4031 4466
Fax: (07) 4051 6222
e-mail: qnu Cairns@qnu.org.au

Townsville Office:

P.O. Box 3589, HERMIT PARK TOWNSVILLE 4812
Phone: (07) 4772 5411
Fax: (07) 4721 1820
e-mail: qnutsvle@qnu.org.au

Toowoomba Office:

P.O. Box 3598, Village Fair, TOOWOOMBA 4350
Phone: (07) 4659 7200
Fax: (07) 4639 5052
e-mail: qnutwmba@qnu.org.au

Rockhampton Office:

P.O. Box 49, ROCKHAMPTON 4700
Phone: (07) 4922 5390
Fax: (07) 4922 3406
e-mail: qnu rocky@qnu.org.au

Bundaberg Office:

P.O. Box 2949, BUNDABERG 4670
Phone: (07) 4132 8411
Fax: (07) 4151 6066
email: qnu bberg@qnu.org.au

1. The Queensland Nurses' Union (hereinafter referred to as the “associated State body”) is registered as an industrial organisation under the *Industrial Relations Act (QLD) 1999*.
2. The associated State body is composed of the same members as the Reporting Unit.
3. The officers of the associated State body are substantially the same officers of the Reporting Unit.

The Reporting Unit is taken to have satisfied s.269 of the *Fair Work (Registered Organisations) Act 2009* on the following basis:

- a. The associated State body has, in accordance with the *Industrial Relations Act (QLD) 1999*, prepared accounts, had those accounts audited, provided a copy of the audited accounts to its members, and lodged the audited accounts with the Queensland Industrial Registry on 12 December 2011;
- b. A copy of the audited accounts are **attached** hereto (See Attachment 1);
- c. All members of the Reporting Unit and associated State body, at substantially the same time, have been provided a copy of the Auditor’s Report, Balance Sheet and Statement of Income and Expenditure, free of charge in accordance with the requirements of the *Fair Work (Registered Organisations) Act 2009*, by publishing the Reports on the Associated State Body’s Web;
- d. All members of the Reporting Unit have been provided with a copy of the Operating Report by its publication on the Associated State Body’s Web site;
- e. There have been no substantial changes in the reporting unit’s financial affairs in the Operating Report.

The ANF Queensland Branch submits that based on the grounds and reasons stated herein and the supporting documentation, the Branch satisfies s.269 of the *Fair Work (Registered Organisations) Act 2009* and consequently seeks the relief as sought in this application.

If you have any queries with regard to this application or seek further supporting evidence, please contact this office.

Yours sincerely



BETH MOHLE
Secretary

Enc.

**Queensland Nurses Union
of Employees**

30 June 2011

QUEENSLAND NURSES UNION OF EMPLOYEES

30 JUNE 2011

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Level 18, 300 Queen St
Brisbane QLD 4000,
GPO Box 457 Brisbane QLD 4001
Australia

INDEPENDENT AUDITOR'S REPORT

To the members of Queensland Nurses Union of Employees

Report on the Financial Report

We have audited the accompanying financial report of Queensland Nurses Union of Employees, which comprises the statement of financial position as at 30 June 2011, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, a summary of significant accounting policies other explanatory notes and the management committee's declaration.

Committee's Responsibility for the Financial Report

The management of the organisation are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations). This responsibility also includes establishing and maintaining internal controls 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 accounting bodies.

Auditor's Opinion

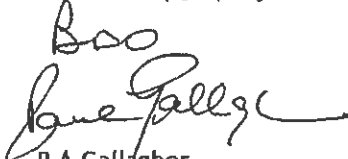
In our opinion the financial report presents fairly, in all material respects, the financial position of Queensland Nurses Union of Employees as of 30 June 2011 and of its financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards (including the Accounting Interpretations).

In our opinion:

- (a) the organisation has kept satisfactory accounting records for the financial period ended June 30, 2011, including records of:
 - (i) the sources and nature of the organisations' income including membership subscriptions and other income from members; and
 - (ii) the nature of and reasons for the organisations' expenditure;
- (b) the financial report for the period ended June 30, 2011 is properly drawn up to give a true and fair view of the organisations':
 - (i) financial affairs as at the end of the year; and
 - (ii) the income and expenditure and surplus or deficit for the year
- (c) the financial report has been prepared in accordance with the Industrial Relations Act 1999, Australian Accounting Standards and other mandatory professional reporting requirements.

Where necessary, we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

BDO Audit (QLD) Pty Ltd


P A Gallagher
Director

Brisbane, 2nd December, 2011



QUEENSLAND NURSES UNION OF EMPLOYEES

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2011**

	Note	2011 \$	2010 \$
Revenue	2	16,890,939	14,836,083
Employee benefits expense		(9,758,901)	(8,863,521)
Depreciation and amortisation expense	3	(556,492)	(469,628)
Members Services expense		(2,365,780)	(1,613,270)
Occupancy expense		(461,770)	(433,942)
Affiliation and capitation expense		(1,052,837)	(927,656)
Administration expenses		(1,564,673)	(1,416,363)
Conference and meeting expenses		(230,405)	(196,111)
Council expenses		(69,328)	(57,317)
(Loss)/Gain on disposal of assets		(56,382)	(31,827)
Profit before income tax		<u>774,372</u>	<u>826,448</u>
Income tax expense	1(e)	-	-
Net profit for the year attributable to the members		<u>774,372</u>	<u>826,448</u>
Other comprehensive income for the year			
Impairment expense		(980,146)	-
Total comprehensive income for the year attributable to the members		<u>(205,774)</u>	<u>826,448</u>

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

QUEENSLAND NURSES UNION OF EMPLOYEES

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2011**

	Note	2011 \$	2010 \$
CURRENT ASSETS			
Cash and cash equivalents	7	6,164,841	5,478,821
Trade and other receivables	8	1,531,332	1,428,182
Short term deposits	9	1,000,000	1,300,000
TOTAL CURRENT ASSETS		<u>8,696,173</u>	<u>8,207,003</u>
NON-CURRENT ASSETS			
Other financial assets	9	158,247	158,247
Property, plant and equipment	10	8,878,725	9,151,931
Intangibles	11	239,935	156,817
TOTAL NON-CURRENT ASSETS		<u>9,276,907</u>	<u>9,466,995</u>
TOTAL ASSETS		<u>17,973,080</u>	<u>17,673,998</u>
CURRENT LIABILITIES			
Trade and other payables	12	2,420,987	2,298,674
Provisions	13	1,228,777	1,146,502
Other liabilities	14	2,347,342	1,986,491
TOTAL CURRENT LIABILITIES		<u>5,997,106</u>	<u>5,431,667</u>
NON-CURRENT LIABILITIES			
Provisions		-	60,583
TOTAL NON-CURRENT LIABILITIES		<u>-</u>	<u>60,583</u>
TOTAL LIABILITIES		<u>5,997,106</u>	<u>5,492,250</u>
NET ASSETS		<u>11,975,974</u>	<u>12,181,748</u>
EQUITY			
Asset Revaluation Reserve	15	3,636,135	4,616,281
Accumulated Funds		8,339,839	7,565,467
TOTAL EQUITY		<u>11,975,974</u>	<u>12,181,748</u>

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

QUEENSLAND NURSES UNION OF EMPLOYEES

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2011**

	Note	2011 \$	2010 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members and others		18,115,470	15,473,290
Interest received		350,127	300,018
Payments to suppliers and employees		(16,676,645)	(14,257,118)
NET CASH PROVIDED BY OPERATING ACTIVITIES	20	<u>1,788,952</u>	<u>1,516,190</u>
 CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		144,213	169,216
Payments for property, plant & Equipment		(1,351,467)	(526,572)
Payment for intangibles		(195,678)	(125,141)
NET CASH USED IN INVESTING ACTIVITIES		<u>(1,402,932)</u>	<u>(482,497)</u>
 CASH FLOW FROM FINANCING ACTIVITIES			
Net movement in short term deposits		300,000	800,000
NET CASH PROVIDED BY FINANCING ACTIVITIES		<u>300,000</u>	<u>800,000</u>
Net Increase/(Decrease) in Cash Held		686,020	233,693
Cash at the Beginning of the Financial Year		5,478,821	5,245,128
Cash at the End of the Financial Year	7	<u>6,164,841</u>	<u>5,478,821</u>

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

QUEENSLAND NURSES UNION OF EMPLOYEES

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2011**

	Retained Profits	Asset Revaluation Reserve	Total
Note	\$	\$	\$
Balance at 1st July 2009	6,739,019	4,616,281	11,355,300
Net Profit/(Loss) for the year	826,448	-	826,448
Other Comprehensive Income	-	-	-
Total Comprehensive Income for the year	<u>826,448</u>	<u>-</u>	<u>826,448</u>
Balance at 30th June 2010	<u>7,565,467</u>	<u>4,616,281</u>	<u>12,181,748</u>
Net Profit/(Loss) for the year	774,372	-	774,372
Other Comprehensive Income/(Loss)	-	(980,146)	(980,146)
Total Comprehensive Income for the year	<u>774,372</u>	<u>(980,146)</u>	<u>(205,774)</u>
Balance at 30th June 2011	<u>8,339,839</u>	<u>3,636,135</u>	<u>11,975,974</u>

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

QUEENSLAND NURSES UNION OF EMPLOYEES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards and Australian Accounting Interpretations adopted by the Australian Accounting Standards Board and the requirements of the Industrial Relations Act 1999. The financial report covers Queensland Nurses Union of Employees as an individual entity. Queensland Nurses Union of Employees is a union formed under the Industrial Relations Act 1999.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial policies adopted in the preparation of these financial statements as presented below and 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) **Property, Plant and Equipment**

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation.

Land and Buildings

Freehold land and buildings are measured on the fair value basis, being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction. It is the policy of the entity to have an independent valuation every three years, with annual appraisals being made by the committee.

The revaluation of freehold land and buildings has not taken account of the potential capital gains tax on assets acquired after the introduction of capital gains tax.

Plant and Equipment

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

QUEENSLAND NURSES UNION OF EMPLOYEES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

The carrying amount of plant and equipment is reviewed annually by the committee of management 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 which will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining recoverable amounts.

(b) Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised leased assets, but excluding freehold land, is depreciated using either the diminishing value method or on a straight line basis over their estimated useful lives to the organisation 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 assets are:

Buildings	2.5%
Plant and Equipment	10% - 37.5%

(c) Employee Benefits

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

QUEENSLAND NURSES UNION OF EMPLOYEES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(d) Operating Leases

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

(e) Taxation

The income of the union is exempt from income tax.

(f) Financial Instruments

Recognition and Initial Measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the union becomes a party to the contractual provisions of the instrument. Financial instruments are initially measured at fair value plus transactions costs.

Classification and Subsequent Measurement

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 association's intention to hold these investments to maturity. They are subsequently measured at amortised cost using the effective interest rate method.

Financial Liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

Impairment

At each reporting date, the union assesses whether there is objective evidence that a financial instrument has been impaired. Impairment losses are recognised in the Statement of Comprehensive Income

(g) Key accounting estimates

The union evaluate estimates and judgements 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.

Key estimates — Impairment

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

QUEENSLAND NURSES UNION OF EMPLOYEES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(h) Comparative Figures

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

(i) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown exclusive of GST.

(j) Revenue

Subscription income is brought to account in the period to which it relates.

Rental income is brought to account in the period to which it relates.

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

Income from the rendering of services is brought to account when the services have been provided to the customer.

(k) Intangible

Software is recorded at cost. Software has a finite life and is carried at cost less any accumulated amortisation and impairment losses. It has an estimated useful life of between two and four years. It is assessed annually for impairment

(l) Accounting Standards not Previously Applied

The organisation has adopted the following new Australian Accounting Standard issued by the AASB which are mandatory to apply to the current year end. Disclosures required by these Standards that are deemed material have been included in this financial report on the basis that they represent a significant change in information from that previously made available.

AASB 101 prescribes the contents and structure of the financial statements. Changes reflected in this financial report include:

- The replacement of Income Statement with Statement of Comprehensive Income. Items of income and expense not recognised in profit or loss are now disclosed as components of 'other comprehensive income'. In this regard, such items are no longer reflected as equity movements in the Statement of Changes in Equity;
- The adoption of the separate income statement/single statement approach to the presentation of the Statement of Comprehensive Income;
- Other financial statements are renamed in accordance with the Standard

QUEENSLAND NURSES UNION OF EMPLOYEES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

	Note	2011 \$	2010 \$
NOTE 2: REVENUE			
Operating activities			
— subscription income		16,291,005	14,354,291
— rental income		-	-
— interest		365,367	316,317
— rendering of services		86,615	76,327
— sundry income		147,953	89,148
— profit on sale of fixed assets		-	-
		<u>16,890,940</u>	<u>14,836,083</u>

	Note	2011 \$	2010 \$
NOTE 3: PROFIT BEFORE INCOME TAX			
Profit from ordinary activities before income tax expense has been determined after:			
(a) Expenses:			
Depreciation of non-current assets			
— buildings		112,881	101,106
— plant and equipment		338,599	320,823
Total depreciation		<u>451,480</u>	<u>421,929</u>
Amortisation of non-current assets			
— computer software		<u>105,012</u>	<u>48,612</u>
Remuneration of auditor			
— audit		<u>27,500</u>	<u>24,000</u>
(b) Revenue and Net Gains:			
Net loss/(gain) on disposal of plant and equipment		<u>56,382</u>	<u>31,827</u>

NOTE 4: DUAL MEMBERSHIP - AUSTRALIAN NURSING FEDERATION (QUEENSLAND BRANCH)

In accordance with Rule 7 of the Qld Nurses Union of Employees, all members are deemed to be members of the Federation.

NOTE 5: INFORMATION TO BE PROVIDED TO MEMBERS

1. A member of an industrial organisation or the registrar at a member's request, may apply to the organisation for the information prescribed in a regulation.
2. The industrial organisation must give the applicant the information requested in the application in the time and way prescribed under a regulation.
3. If the registrar applies for a member, the registrar must give the member all information given to the registrar.

NOTE 6: KEY MANAGEMENT PERSONNEL COMPENSATION

- a. Income paid or payable to all committee members of the union by the union and any related parties

	Short-term benefits		Long-term benefits	Post employment benefits	Total
	Cash Benefits	Non-Cash Benefits	Movement in Long Service Leave	Superannuation	
2011					
Total compensation	433,390	28,593	3,670	29,920	495,573
2010					
Total compensation	260,157	33,011	25,439	47,520	366,127

b. Retirement and Superannuation Payments

No amounts have been paid to a superannuation plan for the provision of retirement benefits by the entity or any related party for the Management Committee members of the entity or any related party.

QUEENSLAND NURSES UNION OF EMPLOYEES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

NOTE 6: KEY MANAGEMENT PERSONNEL COMPENSATION CONTINUED

The names of committee of management members of the union who have held office during the financial period are:

President: Sally-Anne Jones (from 16 December 2010)
Desley Geraghty-Rudd (to 16 December 2010)

Secretary: Elizabeth R Mohle (from 01 April 2011)
Lorraine Gay Hawksworth (to 01 April 2011)

Asst Secretary: Desmond Elder (from 01 April 2011)
Elizabeth R Mohle (to 01 April 2011)

Vice President: Stephen Bone (from 16 December 2010)
Sally-Anne Jones (to 16 December 2010)

Executive Members:

Julie Gard	Sue Pitman	Katy Taggart
Kym Volp	Julie Burgess	Suzanne Cadigan (to 16/12/10)
David Lewis (to 16/12/10)		

Councillors:

Barbara Cook	Jan Coad	Louise Middleton (to 16/12/10)
Bronwyn Steer	Jane Evans	Lucynda Maskell
Celine Benn (to 16/12/10)	Judith Clancy	Lynda Maidens (to 16/12/10)
Cheryl Dorrón	Judith Matthews	Melanie Price
Christine Cocks	Julie Ann Burgess	Phillip Jackson
Damien Lawson	Karen Cooke	Sandra Eales (to 16/12/10)
Daniel Prentice	Karen Shepherd	Sheryn Petersen (to 16/12/10)
Deborah Watt	Katy Taggart	Simon Mitchell
Dianne Corbett	Kaylene Turnbull	
Grant Burton	Lesley Douglass	

QUEENSLAND NURSES UNION OF EMPLOYEES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

	Note	2011 \$	2010 \$
NOTE 7: CASH AND CASH EQUIVALENTS			
Cash on hand		1,580	1,580
Cash at bank		105,003	92,952
Deposits		6,058,258	5,384,289
	20(a)	<u>6,164,841</u>	<u>5,478,821</u>
NOTE 8: TRADE AND OTHER RECEIVABLES			
Current			
Trade debtors		67,058	41,939
Membership fees in arrears		370,215	338,200
Other debtors		118,040	102,800
Prepayments		976,019	945,243
		<u>1,531,332</u>	<u>1,428,182</u>
NOTE 9: OTHER FINANCIAL ASSETS			
Current			
Short term deposits		<u>1,000,000</u>	<u>1,300,000</u>
Non-Current			
Investment in Unit Trust		<u>158,247</u>	<u>158,247</u>

QUEENSLAND NURSES UNION OF EMPLOYEES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

	Note	2011 \$	2010 \$
NOTE 10: PROPERTY, PLANT AND EQUIPMENT			
Land & Buildings			
Land & buildings at independent valuation		7,070,000	7,990,000
Land & buildings at cost		846,924	342,299
Less accumulated depreciation		(17,722)	(200,820)
Total Land & Buildings		<u>7,899,202</u>	<u>8,131,479</u>
Plant & equipment			
Office furniture & equipment		2,379,116	2,459,254
Less accumulated depreciation		(1,399,593)	(1,438,802)
		<u>979,523</u>	<u>1,020,452</u>
Total Property, Plant & Equipment		<u>8,878,725</u>	<u>9,151,931</u>

An independent expert valuation of the property at 187 Melbourne St, West End, QLD 4101 was performed post year-end 30 June 2011 before the audit report was issued and management has adopted the same. The impairment expense was recognised against the existing asset revaluation reserve.

Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant & equipment between the beginning and the end of the current financial year.

	Land & Buildings	Plant & Equipment	Total
	\$	\$	\$
Balance at beginning of year	8,131,479	1,020,452	9,151,931
Additions	860,750	497,770	1,358,520
Disposals	-	200,100	200,100
Impairment	980,146	-	980,146
Depreciation expense	112,881	338,599	451,480
Balance at end of year	<u>7,899,202</u>	<u>979,523</u>	<u>8,878,725</u>

QUEENSLAND NURSES UNION OF EMPLOYEES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

	Note	2011 \$	2010 \$
NOTE 11: INTANGIBLES			
Non-Current			
Computer software - at cost		496,398	315,505
Amortisation of computer software		(256,463)	(158,688)
		<u>239,935</u>	<u>156,817</u>
NOTE 12: TRADE AND OTHER PAYABLES			
Current			
Trade creditors and accruals		818,235	753,601
Employee entitlements		1,260,987	1,254,616
GST Payable		341,765	290,457
		<u>2,420,987</u>	<u>2,298,674</u>
NOTE 13: PROVISIONS			
Current			
Employee entitlements		1,228,777	1,146,502
Non-Current			
Employee entitlements		-	60,583
		<u>1,228,777</u>	<u>1,207,085</u>
NOTE 14: OTHER LIABILITIES			
Current			
Income received in advance		<u>2,347,342</u>	<u>1,986,491</u>
NOTE 15: RESERVES			
Asset revaluation reserve		<u>3,636,135</u>	<u>4,616,281</u>

QUEENSLAND NURSES UNION OF EMPLOYEES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

	Note	2011 \$	2010 \$
NOTE 16: CAPITAL AND LEASING COMMITMENTS			
(a) Operating Lease Commitments			
Non-cancellable operating leases contracted for but not capitalised in the financial report:			
Payable:			
- Not later than 1 year		58,939	56,732
- Later than 1 year but not later than 5 years		39,189	98,414
		98,128	155,146

The operating leases are for rental premises.

(b) Capital Commitments

Commitments expected for:

- Printer-Copiers		-	71,500
- Purchase of property		-	495,000
		-	566,500

NOTE 17: CONTINGENT LIABILITIES

No contingent liabilities exist as at 30 June 2011.

NOTE 18: EVENTS SUBSEQUENT TO REPORTING DATE

Subsequent to reporting date, Queensland Nurses Union has purchased a building at 106 Victoria Street, West End, Brisbane for an approx total consideration of \$9.5 million. The settlement of this transaction occurred on 7 October 2011.

No matters or circumstances, other than those disclosed, have arisen since 30 June 2011 that have significantly affected or may significantly affect the operations, results or state of affairs of the union in the following or future years.

QUEENSLAND NURSES UNION OF EMPLOYEES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

NOTE 19: RELATED PARTY TRANSACTIONS

Transactions with related and associated parties are on normal commercial terms and conditions, no more favourable than those available to other parties unless otherwise stated.

Transactions with Other related parties

Expenses Paid to Other related parties for Affiliations during the period ended 30 June 2011

Entity	Amount paid \$
Political Australian Labour Party*	51,666
Other Affiliations	269,522
Australian Nursing Federation	689,887

* Note that the actual remittance was in the prior financial year and the balance above is the allocation of expense to February 2011. No further payments have been made in the current financial year.

Expenses Paid to Council Members during the period ended 30 June 2011

Members	Amount paid \$
Council Meeting Costs -	
Travel & Accommodation	50,792
Meal Allowance	4,791
Union representation outside QNU	5,949
Total Council Meeting Costs	61,532

QUEENSLAND NURSES UNION OF EMPLOYEES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

NOTE 20: CASH FLOW INFORMATION	Note	2011	2010
		\$	\$
(a) Reconciliation of Cash			
Cash at the end of the financial year as shown in the statements of cash flows is reconciled to the related items in the statement of financial position as follows:			
Cash on hand		1,580	1,580
Deposits with financial institutions		6,163,261	5,477,241
	7	6,164,841	5,478,821
(b) Reconciliation of cash flow from operations with profit from ordinary activities after income tax			
Profit from ordinary activities after income tax		774,371	826,448
Non-cash flows in profit from ordinary activities			
- Depreciation		556,492	469,628
- Net loss on disposal of plant and equipment		56,382	31,827
Changes in assets and liabilities, net of the effects of purchase and disposals of subsidiaries:			
- (Increase)/decrease in receivables		(57,133)	(34,016)
- Increase/decrease in other assets		(46,017)	(225,313)
- Increase/(decrease) in inventory		-	614
- Increase/(decrease) in payables		122,315	109,200
- (Increase)/decrease in provisions		21,691	303,556
- (Increase)/decrease in other creditors		360,851	34,246
Cash flows from operations		1,788,952	1,516,190

NOTE 21: ORGANISATION DETAILS

The registered office of the Union is:

2nd Floor
 QNU Building
 187 Melbourne St
 WEST END
 BRISBANE QLD 4101

QUEENSLAND NURSES UNION OF EMPLOYEES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

NOTE 22: FINANCIAL INSTRUMENTS

(a) Risk Management

The union is exposed to the following risks from their use of financial instruments:

- Market Risk
- Credit Risk
- Liquidity Risk

The Committee has overall responsibility for risk management. The Committee has established risk management policies designed to identify and monitor risks from financial instruments and ensure any adverse effects from these risks are minimized. The Committee meet on a regular basis to review compliance with risk management policy and to analyse financial risk exposure in the context of the current economic environment.

(b) Interest Rate Risk

Interest rate risk is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates. Interest rate risk arises on balances of cash and cash equivalents. The entity minimises this risk by using a term deposit facility. The union is exposed to interest rate risk and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

	Weighted Average Effective Rate		Floating Interest Rate		Fixed Interest Rate Maturing Within			
	2011	2010	2011	2010	1 Year		1 to 5 Years	
	%	%	\$	\$	\$	\$	\$	\$
Financial Assets:								
Cash at bank	4.75%	4.5%	105,003	92,952	-	-	-	-
Deposits	6.02%	5.6%	-	-	7,058,258	6,684,288	-	-
Total Financial Assets			105,003	92,952	7,058,258	6,684,288	-	-

QUEENSLAND NURSES UNION OF EMPLOYEES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

NOTE 22: FINANCIAL INSTRUMENTS (Continued)

	Year Ended 30 June 2011	Year Ended 30 June 2010
Trade Debtors are expected to be received as follows		
- Less than 6 months		
- 6 months to 12 months	67,058	41,939
Trade and other payables are expected to be paid as follows:		
- Less than 6 months	2,420,987	2,489,599
- 6 months to 12 months		

Sensitivity Analysis

The union has performed a sensitivity analysis relating to its exposure to interest rate risk at balance date. This sensitivity analysis demonstrates the effect on the current year results and accumulated funds which could result from a change in this risk.

Interest Rate Sensitivity Analysis:

At 30 June 2011, the effect on profit and equity as a result of changes in the interest rate, with all other variables remaining constant, would be as follows:

	Year Ended 30 June 2011	Year Ended 30 June 2010
	\$	\$
Change in profit attributable to members		
-Increase in interest rate by 2%	141,165	133,686
-Decrease in interest rate by 2%	141,165	133,686

QUEENSLAND NURSES UNION OF EMPLOYEES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

NOTE 22: FINANCIAL INSTRUMENTS (Continued)

(c) Credit Risk

Credit is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Credit risk arises on trade and other receivables. The objective of the union is to minimise exposure to credit risk.

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

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any provisions for doubtful debts, as disclosed in the statement of financial position and notes to the financial statements.

(d) Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The union does not have any foreseeable reduction in the number of union members. Therefore the exposure to this risk is minimal.

QUEENSLAND NURSES UNION OF EMPLOYEES
CERTIFICATE BY ACCOUNTING OFFICER OF UNION

I, Elizabeth Mohle, hereby certify:-

- (a) I am the officer responsible for the keeping of the accounting and other records of the Queensland Nurses Union of Employees for the twelve months ended 30 June 2011;
- (b) The number of persons at the end of the financial period to which this financial report relates, who were members of the union, was 46,331 with 44,423 financial and 1,908 unfinancial.
- (c) In respect of that financial year, in my opinion:
 - i) the financial report shows a true and fair view of the financial affairs of the Union as at the end of that financial period;
 - ii) a record has been kept of all moneys paid by, or collected from, members of the Union and all moneys so paid or collected have been credited to the bank accounts or accounts to which these moneys are to be credited, in accordance with the rules of the Union;
 - iii) before any expenditure was incurred by the Union, approval of the incurring of the expenditure was obtained in accordance with the rules of the Union;
 - iv) no payment was made out of an account for a purpose other than the purpose for which the account was operated and all payments made were approved in accordance with the rules of the Union;
 - v) no loans or other financial benefits other than remuneration in respect of their full time employment were granted to persons holding office in the Union;
 - vi) the register of members of the Union was maintained in accordance with the Act.


.....
Elizabeth Mohle
Accounting Officer

Dated this 2nd day of December 2011.

QUEENSLAND NURSES UNION OF EMPLOYEES

CERTIFICATE BY THE COMMITTEE OF MANAGEMENT

- (1) In the opinion of the Committee of Management of the Queensland Nurses Union of Employees the accompanying financial report of the Union for the year ended 30 June 2011 was prepared in accordance with the requirements of the Industrial Relations Act 1999 so as to show a true and fair view of the financial affairs of the Union at the end of that financial period.
- (2) The Union was, in the opinion of the Committee, solvent during the whole of the financial period.
- (3) During the financial period, meetings of the Committee of Management were, in the opinion of the Committee, held in accordance with the rules of the Union.
- (4) To the knowledge of any members of the Committee, there have been no instances during the financial year where records of the Union or other documents, or copies of these records or other documents of the Union, have not been furnished or made available to members of the Union in accordance with the Industrial Relations Act 1999, its Regulations and the Rules of the Union.
- (5) The Union has complied with the requirements of the Act in relation to the financial report and auditors report for the financial period immediately preceding the current financial year.

This certificate is made in accordance with a resolution of the Committee of Management and is signed for and on behalf of the Committee.



Elizabeth Mohle



Sally-Anne Jones

Dated this 2nd day of December 2011.