



FAIR WORK  
AUSTRALIA

25 November 2011

Ms Neroli Ellis  
Branch Secretary  
Australian Nursing Federation  
Tasmanian Branch  
182 Macquarie Street  
HOBART ACT 7000

Dear Ms Ellis,

**RE: Financial Report for year ending 30 June 2011 - FR2011/2582**  
***Fair Work (Registered Organisations) Act 2009 - (RO Act)***  
***Fair Work (Registered Organisations) Regulations 2009 - (RO Regs)***

I acknowledge receipt of the new Designated Officer's Certificate, lodged with Fair Work Australia on Wednesday 9 November 2011.

The financial report has now been filed.

No further action is required, however, I have a number of points that I would like to raise to assist you in preparing your financial documents in future.

#### **Committee of Management Statement - Reference to legislation**

In future years please ensure that item 5(iii) of your Committee of Management Statement refers to both the *Fair Work (Registered Organisations) Act 2009* and *Fair Work (Registered Organisations) Regulations 2009*. For example:

"5(iii) the financial records of the reporting unit have been kept and maintained in accordance with the *Fair Work (Registered Organisations) Act 2009* and *Fair Work (Registered Organisations) Regulations 2009*; and"

#### **Operating Report - Right to resign**

Subsection 254(2)(c) of the RO Act requires the Operating Report to 'give details' of the right of members to resign from the reporting unit under section 174 of the RO Act. Please find below a suggested replacement paragraph to be used in your future Operating Reports:

*"In accordance with Rule 10 of the Federal Rules of the Australian Nursing Federation a member may resign from membership by written notice addressed and delivered to the Branch Secretary in which he or she is a member"*.

#### **General Purpose Financial Report - Disclosure of employee benefits to office holders and other employees**

The Reporting Guidelines also require either the balance sheet or the notes disclose any liability for employee benefits in respect of office holders and employees other than office holders (items 14(c) and 14(d)). Note 9 discloses the provisions for Annual Leave and Long Service Leave but does not further distinguish between provisions for office holders and other employees.

Provisions for office holders and other employees must be separately disclosed. This must be done in future.

**Notification to auditor**

To ensure that these matters are addressed in the future preparation of your financial reports; a copy of this letter will be forwarded to your auditor, Alison Flakemore of WHK.

If you have any queries regarding this letter, I may be contacted on (03) 8661 7775 (Thursday & Friday) or by email at [christine.walker@fwa.gov.au](mailto:christine.walker@fwa.gov.au)

Yours faithfully,

A handwritten signature in black ink, appearing to be 'CW', followed by a long horizontal flourish.

Christine Walker  
Organisations, Research and Advice  
Fair Work Australia

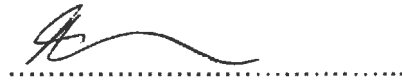
cc: Alison Flakemore  
Audit Partner  
WHK  
GPO Box 392  
Hobart TAS 7001

## Australian Nursing Federation – Tasmanian Branch

### DESIGNATED OFFICER'S CERTIFICATE

I, Neroli Ellis being the Branch Secretary of the Australian Nursing Federation – Tasmanian Branch certify:

- that the documents lodged herewith are copies of the full report, referred to in s268 of the RAO Schedule; and
- that the full report was provided to members on the 31<sup>st</sup> day of Oct 2011 and
- that the full report was presented to a *meeting of the committee of management* of the reporting unit on the 4<sup>th</sup> day of NOV 2011; in accordance with section 266 of the RAO Schedule.



**Neroli Ellis**  
Branch Secretary

Dated this 4<sup>th</sup> day of NOV 2011.



FAIR WORK  
AUSTRALIA

28 October 2011

Ms Neroli Ellis  
Branch Secretary  
Australian Nursing Federation  
Tasmanian Branch  
182 Macquarie Street  
HOBART ACT 7000

Dear Ms Ellis,

**RE: Financial Report for year ending 30 June 2011 - FR2011/2582**  
***Fair Work (Registered Organisations) Act 2009 - (RO Act)***  
***Fair Work (Registered Organisations) Regulations 2009 - (RO Regs)***

I acknowledge receipt of the financial report for the Australian Nursing Federation - Tasmanian Branch for the year ending 30 June 2011. The document was lodged with Fair Work Australia (FWA) on 19 October 2011.

I have examined the financial report. Following that examination I have identified a number of concerns, the details of which are set out below. These matters require attention prior to **Friday, 18 November 2011** before the report can be filed.

### **Presentation of *full report* to members and meetings**

Section 265(1)(a) of the RO Act requires that the '*full report*' must be provided to members free of charge, at least 21 days before being presented to a general meeting. The RO Act defines the '*full report*' to consist of the General Purpose Financial Report (GPFR), which includes the Committee of Management Statement, the Operating Report and the Auditor's Report.

I draw your attention to the following documents that were lodged:

- "*Operating Report*" signed by N. Ellis (ANF) dated 7th October 2011;
- "*Committee of Management Statement*" signed by J. Driver and J. Parker (ANF) dated 7th October 2011; and
- "*Independent Audit Report to the Members of Australian Nursing Federation - Tasmanian Branch - Audit Opinion*" signed by A. Flakemore (WHK) dated 13th October 2011.

The *Designated Officer's Certificate* states that the *full report* was provided to members on 2nd September 2011, however all of the above documents were signed on subsequent later dates, so could not have possibly been presented to members at that time.

Accordingly, in order to secure compliance with your obligations under the RO Act, you are required to re-circulate a *full report* to members by loading it onto your website, and by re-presenting it as soon as possible to the next meeting of the committee of management.

Following these steps, the designated officer must prepare, sign and date a new Designated Officer's Certificate providing details of when the *full report* was provided to members and re-presented to a meeting of the Committee of Management and lodge with FWA, marked to the attention of Christine Walker.

### **Non compliance with previous requests**

While we filed last year's financial report, we raised a query in respect to Donations. I note that this matter was not taken into account in respect to the preparation of this financial report.

I have noted that donations totalling \$8241.00 were made in 2011. Under subsection 237(1) of the RO Act there are certain steps that need to be taken if an individual donation exceeds \$1000.

Under subsection 237(1) of the RO Act, if an individual donation, grant or loan exceeds \$1000 a "Statement of Loans, Grants and Donations Form" is required to be lodged with FWA within 90 days of the end of the financial year. A sample statement is located on the Fair Work Australia website for your assistance.

If no subsection 237(1) statement is received we will assume that no single donation exceeded \$1000. To prevent a similar query being raised in your future financial reports, it is suggested to insert the wording "(each less than \$1000)" next to Donation Expenditure in the GPFR.

### **Notification to auditor**

To ensure that these matters are addressed in the future preparation of your financial reports; a copy of this letter will be forwarded to your auditor, Alison Flakemore of WHK.

Should the date proposed - Friday, 18 November 2011 cause any difficulties or you wish to discuss the matters raised in this letter, I may be contacted on (03) 8661 7775 (Thursday & Friday) or by email at [christine.walker@fwa.gov.au](mailto:christine.walker@fwa.gov.au).

Yours faithfully,



Christine Walker  
Organisations, Research and Advice

cc: Alison Flakemore  
Audit Partner  
WHK  
GPO Box 392  
Hobart TAS 7001

FR2011/2582



# **AUSTRALIAN NURSING FEDERATION TASMANIAN BRANCH**

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

# Australian Nursing Federation – Tasmanian Branch

## CONTENTS

	<u>Page</u>
Financial Statements	
Statement by Members of the Committee	1
Operating Report	2 - 3
Statement of Comprehensive Income	4 - 5
Statement of Financial Position	6
Statement of Cash Flows	7
Statement of Changes in Equity	8
Notes to the Financial Statements	9 - 20
Auditors' Independence Declaration	21
Independent Audit Report	22 - 23

# Australian Nursing Federation – Tasmania Branch

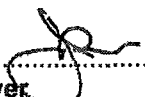
## COMMITTEE OF MANAGEMENT STATEMENT FOR THE YEAR ENDED 30 JUNE 2011

On the 7<sup>th</sup> October 2011 the Committee of Management of the Australian Nursing Federation – Tasmanian Branch passed the following resolution in relation to the general purpose financial statements (GPFS) of the reporting unit for the financial year ended 30 June 2011

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

1. The financial statements and notes comply with the Australian Accounting Standards;
2. The financial statements and notes comply with the reporting guidelines of the General Manager of Fair Work Australia;
3. 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;
4. 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;
5. During the financial year to which the GPFS 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) Regulations 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 other of the other reporting units of the organisation; and
  - (v) the information sought in any request of a member of the reporting unit or the General Manager of Fair Work Australia duly made under section 272 of the *Fair Work (Registered Organisations) Act 2009* has been furnished to the member or General Manager; and
  - (vi) no orders have been made by Fair Work Australia under section 273 of the *Fair Work (Registered Organisations) Act 2009* during the period.
6. There was no recover of wages activities for the financial year.

Signed in accordance with a resolution of the Members of the Committee:

  
.....  
**Julie Driver**  
**Branch President**

  
.....  
**Jenny Parker**  
**Branch Vice President**

Dated this 7<sup>th</sup> day of October 2011.



# Australian Nursing Federation – Tasmania Branch

## OPERATING REPORT FOR THE YEAR ENDED 30 JUNE 2011

The reporting entity's principal activities during the year were providing industrial advocacy and services to members involved in the nursing profession. The result of those activities was an operating surplus of \$246,962. There was no significant change in the nature of those activities during the period.

There were no significant changes in the financial affairs of the organisation during the year.

Members have the right to resign from the entity by giving 2 weeks notice of their intention to resign in writing.

As at 30 June 2011 the Australian Nursing Federation – Tasmanian Branch employed 22 (2010: 17.5) full time equivalent employees.

The number of members of the Branch as at 30 June 2011 was 6,056 (2010: 5,277) (inclusive of all categories).

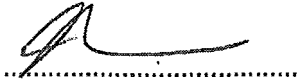
Members retain the right to resign from the Australian Nursing Federation in accordance with rule 10 of the Federal Rules.

No officer or member of the reporting unit holds a position as a trustee or director of a superannuation entity or exempt public superannuation scheme, where the criteria for holding such a position is that they are an officer or member of an organisation.

Committee Member Name	Elected	Resigned / Retired
Neroli Ellis	30/11/2001	
Bill Dermody	30/11/2004	30/11/2010
Lee Wallace	1/12/2010	
Peter Sharp	3/7/2009	30/11/2010
Myf Sutton	30/11/2004	
Lyn Johnson	3/7/2009	
Nick Firth	3/7/2009	30/11/2010
Andrew Ostler	17/12/2004	
Caroline Cryer	1/12/2008	
Katherine Tighe	30/11/2004	30/11/2010
Noelene Burndred	28/5/2010	
Sally Bonde	1/12/2006	
Juanita Mayne	4/2/2008	
Jenny Parker	1/12/2006	
Sally Dare	1/12/2010	
Joanne Triffitt	1/12/2006	
Pamela Hesketh	1/12/2008	30/11/2010
Susan Roberston	1/12/2008	30/11/2010
Jan Robinson	1/12/2008	
Anneke Davies	1/12/2010	
Colleen Fletcher	1/8/2008	
Ann Rees	1/8/2008	
Julie Driver	1/12/2008	
Deidre Douglas	1/12/2010	
Jackie Nicholls	1/12/2010	
Jennifer O'Conner	1/12/2010	10/06/2011

**Australian Nursing Federation – Tasmania Branch  
OPERATING REPORT  
FOR THE YEAR ENDED 30 JUNE 2011**

There is no other information not contained elsewhere in the financial statements that is considered relevant.



**Neroli Ellis**  
Branch Secretary

Dated this 7<sup>th</sup> day of October 2011.

## Australian Nursing Federation – Tasmania Branch

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

	2011 \$	2010 \$
<b>REVENUE FROM ORDINARY ACTIVITIES</b>		
Research & Library Support	30,000	30,000
Interest received	30,524	17,870
Subscriptions Received	2,873,073	2,300,065
Movie Ticket Sales	51,230	34,946
Delegates Sponsorship	28,632	18,275
Publications	22,311	10,362
RTO Fees	90,991	-
Seminars	74,825	38,656
Sundry Income	31,391	24,667
	<b>3,232,977</b>	<b>2,474,841</b>
<b>EXPENDITURE FROM ORDINARY ACTIVITIES</b>		
Accountancy & Audit Fees	31,800	29,200
Advertising & Promotion	6,035	17,232
Amenities	3,910	4,728
Bank Fees & Charges	26,403	20,134
Capitation Fees	81,780	76,476
Commissions	286	326
Computer Expenses	10,237	5,102
Consultant Fees	7,091	19,531
Delegate Expenses	34,331	25,560
Depreciation	52,361	42,578
Donations	8,241	7,076
Electricity	6,870	6,702
Education Programmes	44,400	22,639
Industrial Campaigns	29,695	31,038
Insurance	77,918	66,920
Journals & Periodicals	79,345	84,259

The accompanying notes form part of these financial statements.

## Australian Nursing Federation – Tasmania Branch

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

	2011 \$	2010 \$
<b>EXPENDITURE FROM ORDINARY ACTIVITIES (cont)</b>		
Legal Fees	43,790	(1,158)
Loss on Disposal of Motor Vehicles	1,455	8,185
Meeting Expenses	17,059	8,759
Membership Services	66,294	50,648
Motor Vehicle Expenses	25,886	23,480
Movie Ticket Purchases	49,934	37,377
Office Equipment Expenses	22,018	17,127
Payroll Taxes	93,400	72,711
Postage, Printing & Stationery	59,629	43,973
Rent on Land & Buildings	59,393	54,849
Repairs & Maintenance	16,350	9,930
RTO Expenses	59,287	-
Salaries - Employees	1,412,396	1,112,314
- Holders of Office	137,753	141,755
Security	1,976	745
Services - Launceston	6,889	6,604
Staff Training	15,203	27,316
Subscriptions	2,612	914
Sundry Expenses	12,189	7,994
Superannuation - Employees	202,054	157,923
- Holders of Office	18,830	19,375
Telephone	44,804	31,033
Travel, Accommodation & Conference	29,618	32,848
TTLIC Affiliation Fee	23,968	22,579
Website/Newsletter	62,525	71,313
	<u>2,986,015</u>	<u>2,411,095</u>
<b>NET SURPLUS/(DEFICIT) FOR THE YEAR</b>	<u>246,962</u>	<u>63,746</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<u>246,962</u>	<u>63,746</u>

The accompanying notes form part of these financial statements.

## Australian Nursing Federation – Tasmania Branch

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

	Note	2011 \$	2010 \$
<b>Current Assets</b>			
Cash	4	889,040	617,466
Receivables	5	54,382	13,459
Prepayments	6	3,233	1,923
<b>Total Current Assets</b>		<b>946,655</b>	<b>632,848</b>
<b>Non-Current Assets</b>			
Property, Plant & Equipment	7	194,471	172,848
<b>Total Non-Current Assets</b>		<b>194,471</b>	<b>172,848</b>
<b>Total Assets</b>		<b>1,141,126</b>	<b>805,696</b>
<b>Current Liabilities</b>			
Bank Overdraft		-	32,651
Payables	8	197,846	133,161
Provisions	9	243,466	165,410
<b>Total Current Liabilities</b>		<b>441,312</b>	<b>331,222</b>
<b>Non-Current Liabilities</b>			
Provisions	9	42,748	64,370
<b>Total Non-Current Liabilities</b>		<b>42,748</b>	<b>64,370</b>
<b>Total Liabilities</b>		<b>484,060</b>	<b>395,593</b>
<b>Net Assets</b>		<b>657,066</b>	<b>410,104</b>
<b>Members Equity</b>			
Accumulated Funds		657,066	410,104
<b>Total Members Equity</b>		<b>657,066</b>	<b>410,104</b>

The accompanying notes form part of these financial statements.

## Australian Nursing Federation – Tasmania Branch

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

	Note	2011 \$	2010 \$
<b>Cash Flows From Operating Activities</b>			
Receipts from Members		2,873,073	2,300,065
Income Received		30,524	17,870
Other Income		288,457	148,036
Payments to Employees & Holders of Office		(1,688,483)	(1,338,585)
Payments to Suppliers		(1,146,603)	(995,971)
Net Flow from Goods & Services Tax		22,696	(2,136)
<b>Net Cash Provided By Operating Activities</b>	10(b)	<b>379,664</b>	<b>129,279</b>
<b>Cash Flows from Investing Activities</b>			
Payments for Plant & Equipment		(118,622)	(156,097)
Receipts from Assets Disposals		43,183	43,635
<b>Net Cash Provided by Investing Activities</b>		<b>(75,439)</b>	<b>(112,462)</b>
<b>Cash Flows from Financing Activities</b>			
Repayment of Loans		-	-
Funds from Financing Arrangements		-	-
<b>Net Cash Provided by Financing Activities</b>		<b>-</b>	<b>-</b>
<b>Net Increase/(Decrease) in Cash Held</b>		<b>304,225</b>	<b>16,817</b>
Cash Held at the Beginning of the Financial Year		584,815	567,998
<b>Cash Held at the End of the Financial Year</b>	10(a)	<b>889,040</b>	<b>584,815</b>

The accompanying notes form part of these financial statements.

## Australian Nursing Federation – Tasmania Branch

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

	2011 \$	2010 \$
Balances as at 1 July	410,104	346,358
Total Comprehensive Income for the year	246,962	63,746
Transfers to and from Reserves	-	-
<b>Balance as at 30 June</b>	<b>657,066</b>	<b>410,104</b>

The accompanying notes form part of these financial statements.

# Australian Nursing Federation – Tasmania Branch

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

### 1. Statement of Significant Accounting Policies

#### (a) General Information

The financial statements are general purpose financial statements that have been prepared in accordance with Accounting Standards, and other authoritative pronouncements of the Australian Accounting Standards Board and the *Fair Work (Registered Organisations) Act 2009*.

The financial statements cover the Australian Nursing Federation – Tasmanian Branch as an individual entity.

The financial statements of Australian Nursing Federation – Tasmanian Branch comply with all Australian equivalents to International Accounting Reporting Standards (AIFRS) in their entity.

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

#### (b) Basis of Preparation

##### Reporting basis and Convention

The financial statements has been prepared on an accrual basis and is based on historical costs modified by the revaluation selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

#### (c) Comparative Figures

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

#### (d) Income Tax

No provision for income tax is necessary as the Branch is exempt from income tax under section 50-15 of the Income Tax Assessment Act, 1997.



# Australian Nursing Federation – Tasmania Branch

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

### 1. Statement of Significant Accounting Policies

#### (e) Fixed Assets

Property, plant and equipment are depreciated using both the straight line basis and the diminishing value basis over the useful lives of the assets to the Branch commencing from the time the asset is held ready for use.

The depreciation rates used for Property, Plant & Equipment range between 13-40% Diminishing Value and 7.5%-27% Straight Line.

The carrying amount of property, plant and equipment is reviewed annually to ensure it is not in excess of the recoverable amount of those assets.

The recoverable amount is assessed on the basis of 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 the recoverable amounts.

#### (f) Impairment of Assets

At each reporting date, the Branch reviews the carrying value of its tangible assets to determine whether there is any indication that those assets have been impaired. If such indication exists, the recoverable amount of the asset, being the higher of the assets fair value less costs to sell and value-in-use, is compared to the assets carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed in the statement of comprehensive income.

#### (g) Cash & Cash Equivalents

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

#### (h) Trade and Other Receivables

The Branch considers accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts is required.

#### (i) Trade Payables

Trade and other payables are stated at cost, which approximates fair value due to the short term nature of these liabilities.

# Australian Nursing Federation – Tasmania Branch

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

### 1. Statement of Significant Accounting Policies

#### (j) Employee Benefits

Provision is made for the Branch's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with benefits arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at their nominal amount. Other 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.

Contributions are made by the Branch to an employee superannuation fund and are charged as expenses when incurred.

#### (k) Critical Accounting Estimates and Judgments

The Committee of Management evaluates estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and based on current trends and economic data, obtained both externally and within the Branch.

#### *Key Estimates - Impairment*

The Branch assesses impairment at each reporting date by evaluating conditions specific to the Branch that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. No impairment has been recognised for the year ended 30 June 2011.

#### (l) Financial Instruments

##### (i) Financial Assets

All investments are initially recognised at cost, being the fair value of the consideration given and the costs of acquisition.

Subsequent to initial recognition:

- Investments classified as held for trading are measured at fair value. Gains or losses on investments held for trading are recognised in the income statement.

- Investments classified as held for available for sale are measured at fair value. Gains or losses on investments available for sale are recognised as a separate component of equity until the investment is sold or is determined to be impaired, at which time the cumulative gain or loss previously recognised in equity is included in the income statement.

**Australian Nursing Federation – Tasmania Branch**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2011**

**1. Statement of Significant Accounting Policies**

**(l) Financial Instruments (con't)**

- Investments classified as held to maturity are measured at amortised cost using the effective interest method. Amortised cost is calculated by considering any discount or premium on acquisition, over the period to maturity. Gains or losses on investments held to maturity are recognised in the income statement when the investments are derecognised or impaired.

Fair values of quoted investments are determined by reference to current bid prices on recognised stock exchanges.

**(ii) Subject to fluctuations in interest rates**

The financial risk is the risk to the Branch's earnings that arises from fluctuations in interest rates and the degree of volatility of these rates. The Branch does not use derivative instruments to reduce its exposure to interest rate fluctuations.

**(iii) Liquidity Risk**

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet cash flow commitments associated with financial instruments.

**(iv) Commodity Price Risk**

The Branch's operations are not exposed to fluctuations in commodity prices.

**(m) Revenue**

Subscription income is recognised in the period to which the subscriptions relate.

Revenue from the provision of services is recognised when the right to be compensated for the services has been attained.

Interest is recognised over the period for which the funds are invested.

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

## **Australian Nursing Federation – Tasmania Branch**

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

#### **1. Statement of Significant Accounting Policies (cont.)**

##### **(n) 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 inclusive of GST.

Cash flows are presented in the statement of cash flows on a net basis, and the GST component shown as a separate movement. The GST component of investing and financing activities is disclosed as an operating cash flow.

##### **(o) Leases**

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to the Branch are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

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

#### **2. Notes to be Provided to Members or the General Manager of Fair Work Australia**

- (a) A member of a reporting unit, or the General Manager, 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.
- (b) 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.
- (c) A reporting unit must comply with an application made under subsection (1).

## Australian Nursing Federation – Tasmania Branch

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

	2011 \$	2010 \$
<b>3. Segmental Reporting</b>		

The Tasmanian Branch of the Australian Nursing Federation provides services to nurses throughout Tasmania.

#### 4. Cash & Cash Equivalents

CBA Working Account	133,837	-
Cash Management Account	314,547	495,796
Term Deposit	440,456	121,470
Cash on Hand	200	200
	<u>889,040</u>	<u>617,466</u>

#### 5. Receivables

Receivables	<u>54,382</u>	<u>13,459</u>
	<u>54,382</u>	<u>13,459</u>

##### (a) Aging Analysis

The ageing analysis of receivables is as follows:

	2011 \$	2010 \$
0-30 days	51,597	13,459
31-60 days	685	-
61-90 days (past due not impaired)	985	-
91+ days (past due not impaired)	1,115	-
	<u>54,382</u>	<u>13,459</u>

#### 6. Prepayments

Insurance	<u>3,233</u>	<u>1,923</u>
	<u>3,233</u>	<u>1,923</u>

## Australian Nursing Federation – Tasmania Branch

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

	2011 \$	2010 \$
<b>7. Property Plant &amp; Equipment</b>		
Plant & Equipment (at cost)	187,981	165,689
Less: Accumulated Depreciation	<u>(138,304)</u>	<u>(120,532)</u>
	49,677	45,157
Furniture & Fittings (at cost)	53,151	47,502
Less: Accumulated Depreciation	<u>(38,990)</u>	<u>(37,538)</u>
	14,161	9,964
RTO Equipment (at cost)	23,450	6,890
Less: Accumulated Depreciation	<u>(2,694)</u>	<u>(5)</u>
	20,756	6,885
Motor Vehicles (at cost)	138,033	136,062
Less: Accumulated Depreciation	<u>(28,156)</u>	<u>(25,219)</u>
	<u>109,877</u>	<u>110,842</u>
	<u><b>194,471</b></u>	<u><b>172,848</b></u>

#### (a) Movements in Carrying Amounts

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

	Plant & Equipment \$	Furniture & Fittings \$	Motor Vehicles \$	RTO Assets	Total \$
Opening Balance	45,157	9,964	110,842	6,885	172,848
Additions	22,292	5,649	74,120	16,560	118,621
Disposals	-	-	(43,182)	-	(43,182)
Loss on Asset	-	-	(1,455)	-	(1,455)
Depreciation	(17,772)	(1,452)	(30,448)	(2,689)	(52,361)
Closing balance	<u>49,677</u>	<u>14,161</u>	<u>109,877</u>	<u>20,756</u>	<u>194,471</u>

	2011 \$	2010 \$
<b>8. Payables</b>		
Creditors and Accruals	46,845	30,972
GST Liability	56,694	33,999
Payroll Liabilities	<u>94,307</u>	<u>68,190</u>
	<u><b>197,846</b></u>	<u><b>133,161</b></u>

## Australian Nursing Federation – Tasmania Branch

### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEAR ENDED 30 JUNE 2011

	2011 \$	2010 \$
<b>9. Provisions</b>		
<b>Current</b>		
Provision for Annual Leave	149,645	106,619
Provision for Long Service Leave	<u>93,821</u>	<u>58,791</u>
	<b><u>243,466</u></b>	<b><u>165,410</u></b>
<b>Non-Current</b>		
Provision for Long Service Leave	<u>42,748</u>	<u>64,370</u>
<b>10. (a) Reconciliation of Cash</b>		
Cash at the end of the reporting period as shown in the Statement of Cash Flows.		
CBA Working Account	133,837	-
Cash Management Account	314,547	495,796
Term Deposit	440,456	121,470
Cash on Hand	200	200
Bank Overdraft	-	(32,651)
	<b><u>889,040</u></b>	<b><u>584,815</u></b>
<b>(b) Reconciliation of net cash provided by Operating Activities to Operating Result:</b>		
Net Surplus/(Deficit) For the Year	246,962	63,746
Depreciation	52,361	42,578
Loss on Disposal of Assets included in Operating Surplus	1,455	-
Decrease/(Increase) in Receivables	(40,923)	8,870
Decrease/(Increase) in Prepayments	(1,310)	27,871
(Decrease)/Increase in Payables	64,685	(45,110)
(Decrease)/Increase in Employee Benefits	<u>56,434</u>	<u>31,324</u>
<b>Net Cash Used In Operating Activities</b>	<b><u>379,664</u></b>	<b><u>129,279</u></b>

# Australian Nursing Federation – Tasmania Branch

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 30 JUNE 2011

#### 11. Financial Instruments

##### (a) Financial Risk Management

The Branch's financial instruments consist mainly of deposits with banks, accounts receivable and payable.

##### (i) Treasury Risk Management

The Branch committee of management meets on a regular basis and evaluates treasury management strategies in the context of the most recent economic conditions and forecasts.

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

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

##### Interest rate risk

The Branch does not have any material interest rate risk. Any risk arising is managed through floating rate investments.

##### Liquidity Risk

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

##### Credit risk

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 impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

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

##### (iii) Financial instrument composition and maturity analysis

The Branch's exposure to interest rate risk, which is the risk that a financial instruments value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:



## Australian Nursing Federation – Tasmania Branch

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

	Weighted Average Effective Interest Rate		Floating Interest Rate		Fixed Interest Rate		Non-Interest Bearing	
	2011 %	2010 %	2011 \$	2010 \$	2011 \$	2010 \$	2011 \$	2010 \$
i) Financial Assets								
Cash	5.50	5.30	448,385	463,346	440,456	121,470	200	200
Receivables	N/A	N/A	-	-	-	-	54,382	13,459
Prepayments	N/A	N/A	-	-	-	-	3,233	1,922
ii) Financial Liabilities								
Payables	N/A	N/A	-	-	-	-	197,846	133,161

#### (iv) Sensitivity Analysis

The Branch has performed a sensitivity analysis relating to its exposure to interest rate risk, liquidity risk and credit risk at the balance date. The Branch is not currently subject to any interest rate risk on its financial liabilities, and has assessed that there is also no exposure to liquidity risk required to meet its financial obligations. The Branch's exposure to credit risk has been assessed as not material, due to the nature, collectability and unimpairment of amounts owed.

As a result of the sensitivity analysis and risk assessment performed by the Branch, any positive or negative changes in the interest rate risk, liquidity risk or credit risk would not have a material effect on the financial statements of the Branch.

#### 12. Auditors' Remuneration

	2011 \$	2010 \$
Remuneration of the auditor of the Branch for:		
- Auditing or reviewing the financial statements	5,400	4,000

## Australian Nursing Federation – Tasmania Branch

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

#### 13. Key Management Personnel Compensation

	Short-term benefits \$	Other Long-term benefits \$	Total \$
2011 Total compensation	137,753	18,830	156,583
2010 Total compensation	141,755	19,375	161,130

#### (a) Compensation Practices

The committee of management's policy for determining the nature and amount of compensation of key management for The Australian Nursing Federation – Tasmanian Branch is as follows:

The compensation structure for key management personnel is based on a number of factors, including length of service, particular experience of the individual concerned, and overall performance of the Branch. The contracts for service between the Branch and key management personnel are on a continuing basis, the terms of which are not expected to change in the immediate future. Upon retirement key management personnel are paid employee benefit entitlements accrued to date of retirement.

#### 14. Related party transactions

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties, and which in management's opinion is comparable to amounts that would have been paid to non-related parties.

#### 15. Events after the end of the reporting period

There have been no events occur post 30 June 2011, which have had an impact upon this financial statements.

#### 16. Capital and Leasing Commitments

There are no capital or leasing commitments as at 30 June 2011.

## **Australian Nursing Federation – Tasmania Branch**

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

#### **17. Contingent Assets and Liabilities**

There are no contingent assets or liabilities for the year ended 30 June 2011.

#### **18. Branch Details**

The registered office of the Branch is:

Australian Nursing Federation Tasmanian Branch  
182 Macquarie Street  
Hobart Tasmania 7000

Hobart  
Level 1, 142-146 Elizabeth Street  
Hobart, TAS 7000

GPO Box 392  
Hobart, TAS 7001

T 03 6210 2525  
F 03 6210 2524

## Australian Nursing Federation – Tasmanian Branch

### Auditors' Independence Declaration

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2011 there has been:

- (i) no contraventions of the auditor independence requirements as set out in the Australian Professional Ethical Standards in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Launceston  
62 Paterson Street  
Launceston, TAS 7250

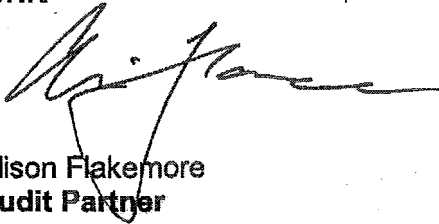
PO Box 1000  
Launceston, TAS 7250

T 03 6323 1222  
F 03 6323 1231

[hobart@whk.com.au](mailto:hobart@whk.com.au)  
[www.whk.com.au](http://www.whk.com.au)

WHK Audit  
55 418 676 841

WHK



Alison Flakemore  
Audit Partner

Dated this 30<sup>th</sup> day of August 2011.

## Australian Nursing Federation – Tasmania Branch

### Independent Audit Report to the Members of Australian Nursing Federation - Tasmanian Branch

#### Report on the Financial Statements

We have audited the accompanying financial statements of Australian Nursing Federation – Tasmania Branch which comprises the statement of financial position as at 30 June 2011 and the statement of comprehensive income, statement of changes in equity and the statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the statement by the member of the committee.

#### Committee's Responsibility for the Financial Statements

The committee of the Branch is responsible for the preparation and true and fair presentation of the financial statements in accordance with the Australian Accounting Standards and *Fair Work (Registered Organisations) Act 2009*. This responsibility includes establishing and maintaining of internal controls relevant to the preparation and fair preparation of the financial statements 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 circumstance.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with the 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 statements is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amount of disclosure in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements 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 controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial statements.

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

Hobart  
Level 1, 142-146 Elizabeth Street  
Hobart, TAS 7000

GPO Box 392  
Hobart, TAS 7001

T 03 6210 2525  
F 03 6210 2524

Launceston  
62 Paterson Street  
Launceston, TAS 7250

PO Box 1000  
Launceston, TAS 7250

T 03 6323 1222  
F 03 6323 1231

hobart@whk.com.au  
www.whk.com.au

WHK Audit  
55 418 676 841

## Australian Nursing Federation – Tasmania Branch

### Independent Audit Report to the Members of Australian Nursing Federation - Tasmanian Branch

Hobart  
Level 1, 142-146 Elizabeth Street  
Hobart, TAS 7000  
GPO Box 392  
Hobart, TAS 7001  
T 03 6210 2525  
F 03 6210 2524

#### Independence

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

Launceston  
62 Paterson Street  
Launceston, TAS 7250

PO Box 1000  
Launceston, TAS 7250

T 03 6323 1222  
F 03 6323 1231

#### Audit Opinion

In our opinion the general purpose financial statements of the Australian Nursing Federation – Tasmania Branch is presented fairly, in all material respects, in accordance with applicable Australian Accounting Standards and the requirements imposed by the *Fair Work (Registered Organisations) Act 2009*, the financial position of the Australian Nursing Federation – Tasmania Branch as at 30 June 2011, and its performance and cash flows for the year ended on that date.

hobart@whk.com.au  
www.whk.com.au

WHK Audit  
55 418 676 841

WHK

WHK



Alison Flakemore  
Audit Partner

#### Auditor Qualifications:

Bachelor of Commerce with Honours  
Registered Company Auditor No. 241220  
Institute of Chartered Accountants Australia Member No. 96387  
Public Practice Certificate

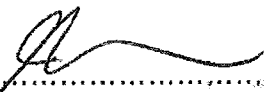
Dated this 13<sup>th</sup> day of October 2011.

## Australian Nursing Federation – Tasmanian Branch

### DESIGNATED OFFICER'S CERTIFICATE

I, Neroli Ellis being the Branch Secretary of the Australian Nursing Federation – Tasmanian Branch certify:

- that the documents lodged herewith are copies of the full report, referred to in s268 of the RAO Schedule; and
- that the full report was provided to members on the 2<sup>nd</sup> day of SEPT 2011 and
- that the full report was presented to a *meeting of the committee of management* of the reporting unit on the 7<sup>th</sup> day of OCT 2011; in accordance with section 266 of the RAO Schedule.



**Neroli Ellis**  
Branch Secretary

Dated this 7<sup>th</sup> day of October 2011.