



AUSTRALIAN
NURSING
FEDERATION

victorian
BRANCH

14 December 2011

Fair Work Australia
GPO Box 1994
Melbourne Vic 3001

Sent email: orgs@fwa.gov.au

Dear Sir or Madam;

**The Australian Nursing Federation (Victorian Branch)
Financial Reports for the Year Ended 30 June 2011.**

We enclose herewith a copy of Australian Nursing Federation (Victorian Branch)

1. Designated Officer's Certificate
2. Audited full Annual Financial Report in compliance with s268 of the Fair Work Australia (Registered Organisations) Act 2009.

Yours sincerely

Lisa Fitzpatrick
ANF SECRETARY (Vic Branch)

mf/FWA06-10

Designated Officer's Certificate

S268 fair Work (Registered Organisations) Act 2009

I Lisa Fitzpatrick being Branch **Secretary of Australian Nursing Federation (Victorian Branch), 540 Elizabeth Street Melbourne 3000** certify:

- That the documents lodged herewith are copies of the full report referred to in s268 of the *Fair Work (Registered Organisations) Act 2009*; and
- The full report was presented to a meeting of our committee of management, ANF (Victorian Branch) Council on 8 November 2011; in accordance with sections 266 for the *Fair Work (Registered Organisations) Act 2009*, and
- That the full report was provided to members on 30 November 2011.

Signature:



Date: 14 December 2011



chartered accountants

**Australian Nursing Federation
(Victorian Branch) and Controlled Entity**

ABN: 80 571 091 192

Financial Report
for the year ended 30 June 2011

Australian Nursing Federation (Victorian Branch) and Controlled Entity

ABN: 80 571 091 192

Financial Report

For the Year Ended 30 June 2011

Contents	Page
Financial Report	
Operating Report	1
Statement of Comprehensive Income	4
Statement of Financial Position	5
Statement of Changes in Equity	6
Statement of Cash Flows	10
Notes to the Financial Statements	11
Statement by Branch Council	30
Independent Audit Report	31

Australian Nursing Federation (Victorian Branch) and Controlled Entity

ABN: 80 571 091 192

Operating Report

For the Year Ended 30 June 2011

Your councillors present this financial report of Australian Nursing Federation (Victorian Branch) (the entity) and Australian Nursing Federation (Victorian Branch) and its controlled entity (the group) for the financial year ended 30 June 2011.

Council members

The names of council members throughout the year and at the date of this report are:

Ms Michelle Ashworth	(Resigned 2/8/2010)
Ms Lisa Auchetti	
Mr Michael Bellaville	
Ms Leanne Boase	
Ms Caterina Bortolot	
Ms Maree Burgess	
Ms Pip Carew	
Ms Margaret Crosby	
Mr Geoffrey Devine	(Resigned 10/8/2010)
Ms Lisa Fitzpatrick	
Mr Paul Gilbert	
Ms Lynette Hedges	
Ms Samantha Hennessey	(Appointed 12/10/2010)
Ms Kate Lamble	(Resigned 22/2/2011)
Ms Amanda Maberly	
Ms Marian Macdonald	
Mr Stephen McKenzie	(Appointed 12/10/2010)
Ms Sheryl Martin	
Ms Lynette Mauger	(Appointed 9/11/2010)
Ms Myshalee Morrissey	
Mr Timothy O'Brien	
Ms Lon-anne Sharp	
Ms Tracy Skinner	(Appointed 12/10/2010)
Ms Rachel Weaver	

Australian Nursing Federation (Victorian Branch) and Controlled Entity

ABN: 60 571 091 192

Operating Report

For the Year Ended 30 June 2011

Principal activities

The principal activities of the consolidated group during the financial year were the industrial and professional representation of nurses and nursing.

Significant changes

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

Operating result

The surplus of the consolidated group for the financial year amounted to \$ 5,238,606 (2010: \$ 1,430,027).

\$4,588,015 of the surplus from the 2011 financial year has been committed to be spent in future years on several projects and campaigns including the:

- Aged Care EBA Campaigns
- CPD Project
- EBA 2011
- Legal Services

Reserves have been recognised as per the Statement of Changes in Equity to set aside the 2011 surplus for the above mentioned projects and campaigns amounting to a total of \$4,588,015. See pages 6 and 8 for further details.

Events subsequent to the end of the reporting period

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the consolidated group, the results of those operations, or the state of affairs of the consolidated group in future financial years.

Resignation from membership

A member of Australian Nursing Federation (Victorian Branch) may resign from membership by written notice addressed and delivered to a person designated for the purpose in the rules of the group in accordance with section 10 of the entity's rules and section 174 of the Fair Work (Registered Organisations) Act 2009.

Trustee of superannuation entity

With the exception of Mr Brendan Soraghan and Ms Belinda Morrison who are Directors of Health Super Pty Ltd, trustee of Health Super Fund, to the best of our knowledge there are no officeholders or members of Australian Nursing Federation (Victorian Branch) who acts as a trustee of a superannuation entity or an exempt public sector superannuation scheme, or a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme.

Australian Nursing Federation (Victorian Branch) and Controlled Entity

ABN: 80 571 091 192

Statement of Comprehensive Income

For the Year Ended 30 June 2011

	Note	Consolidated		Parent	
		2011 \$	2010 \$	2011 \$	2010 \$
Revenue	2	25,208,470	20,044,926	25,288,812	19,820,613
Other income	2	91,052	290,399	91,052	280,399
Employee benefits expense		(10,937,020)	(9,919,098)	(10,937,020)	(9,919,098)
Administration expense		(1,747,208)	(1,706,241)	(1,747,208)	(1,706,241)
Australian Nursing Journal (ANJ)		(1,022,327)	(842,434)	(1,022,327)	(842,434)
ANF capitation fees - Federal Office	3	(833,772)	(746,160)	(833,772)	(746,160)
Depreciation expense	3	(814,644)	(849,633)	(408,280)	(374,774)
Education and training expense		(504,559)	(657,033)	(504,559)	(657,033)
Professional indemnity insurance		(592,970)	(529,366)	(592,970)	(529,366)
Legal expense		(488,916)	(405,992)	(488,916)	(405,992)
Finance cost	4	(486,959)	(547,107)	(255,332)	(230,387)
Occupancy expense		(426,469)	(445,957)	(1,194,221)	(1,201,111)
Staff professional development		(333,053)	(83,254)	(333,053)	(83,254)
Affiliation fees non-political		(242,201)	(108,816)	(242,201)	(108,816)
Grants expense		(100,340)	(56,466)	(100,340)	(56,466)
Donations expense		(39,950)	(30,806)	(39,950)	(30,806)
Loss on sale of assets	5	(6,016)	(2,763)	(6,016)	(2,763)
Activities fund - members		(1,467)	(1,320)	(1,467)	(1,320)
Other expenses		(1,482,956)	(1,866,852)	(1,433,537)	(1,778,064)
Surplus for the year		5,238,695	1,436,027	5,238,695	1,436,027
Other comprehensive income:					
Net loss on revaluation of land and buildings		-	(1,309,400)	-	-
Other comprehensive income for the year		-	(1,309,400)	-	-
Total comprehensive income for the year		5,238,695	126,627	5,238,695	1,436,027

The accompanying notes form part of the financial statements.

Australian Nursing Federation (Victorian Branch) and Controlled Entity

ABN: 80 571 091 192

Statement of Financial Position

As at 30 June 2011

	Note	Consolidated		Parent	
		2011 \$	2010 \$	2011 \$	2010 \$
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	4	3,708,606	2,846,672	3,657,122	2,672,013
Trade and other receivables	5	29,215	40,192	(27,822)	(41,988)
Other assets	8	344,412	80,080	344,412	80,080
TOTAL CURRENT ASSETS		4,082,233	2,966,944	4,023,356	2,787,081
NON-CURRENT ASSETS					
Trade and other receivables	5	-	-	16,384,526	12,204,391
Financial assets	6	-	-	14	14
Property, plant and equipment	7	22,445,745	22,504,895	(1,789,051)	(1,534,401)
TOTAL NON-CURRENT ASSETS		22,445,745	22,504,895	18,173,591	13,738,806
TOTAL ASSETS		26,527,978	25,470,839	22,202,947	16,525,887
LIABILITIES					
CURRENT LIABILITIES					
Trade and other payables	9	942,775	771,945	942,775	745,024
Borrowings	10	353,031	317,216	353,031	317,216
Short-term provisions	11	2,267,100	2,134,174	2,267,100	2,134,174
Other liabilities	12	406,598	523,072	406,598	523,072
TOTAL CURRENT LIABILITIES		3,969,504	3,746,407	3,969,504	3,719,486
NON-CURRENT LIABILITIES					
Borrowings	10	625,609	5,084,729	442,476	308,596
Long-term provisions	11	165,054	110,587	165,054	110,587
TOTAL NON-CURRENT LIABILITIES		790,663	5,195,316	607,530	419,183
TOTAL LIABILITIES		4,760,167	8,941,723	4,577,034	4,138,669
NET ASSETS		21,767,811	16,529,116	17,625,913	12,387,218
EQUITY					
Reserves		9,673,560	4,750,660	5,531,662	608,662
Accumulated surpluses		12,094,251	11,778,556	12,094,251	11,778,556
TOTAL EQUITY		21,767,811	16,529,116	17,625,913	12,387,218

The accompanying notes form part of the financial statements.

Australian Nursing Federation (Victorian Branch) and Controlled Entity

ABN: 80 571 091 192

Statement of Changes in Equity

For the Year Ended 30 June 2011

2011

Parent

	Accumulated Surpluses	Members Entitlement Protection Fund	Special Projects Fund	General Reserve	Federal Aged Care Campaign Reserve	Aged Care EBA Campaign Reserve	CPD Project Reserve	EBA Reserve	Legal Services Reserve	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2010	11,776,556	400,000	22,335	186,327	-	-	-	-	-	12,387,218
Surplus for the year	5,238,695	-	-	-	-	-	-	-	-	5,238,695
Transfers to and from reserves										
- Federal aged care campaign reserve	(125,000)	-	-	-	125,000	-	-	-	-	-
+ Aged care EBA campaign reserve	(125,000)	-	-	-	-	125,000	-	-	-	-
+ CPD project reserve	(673,000)	-	-	-	-	-	673,000	-	-	-
+ EBA reserve	(3,700,000)	-	-	-	-	-	-	3,700,000	-	-
+ Legal services reserve	(300,000)	-	-	-	-	-	-	-	300,000	-
Balance at 30 June 2011	12,094,251	400,000	22,335	186,327	125,000	125,000	673,000	3,700,000	300,000	17,625,913

The accompanying notes form part of the financial statements

Australian Nursing Federation (Victorian Branch) and Controlled Entity

ABN: 80 571 091 192

Statement of Changes in Equity

For the Year Ended 30 June 2011

2010

Parent

	Accumulated Surpluses	Members Entitlement Protection Fund	Special Projects Fund	General Reserve	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2009	10,342,529	400,000	22,335	186,327	10,951,191
Surplus for the Year	1,436,027	-	-	-	1,436,027
Balance at 30 June 2010	11,778,556	400,000	22,335	186,327	12,387,218

The accompanying notes form part of the financial statements

Australian Nursing Federation (Victorian Branch) and Controlled Entity

ABN: 80 571 091 192

Statement of Changes in Equity

For the Year Ended 30 June 2011

2011

Consolidated

	Accumulated Surpluses	Asset Revaluation Reserve	Members Entitlement Protection Fund	Special Projects Fund	General Reserve	Federal Aged Care Campaign Reserve	Aged Care EBA Campaign Reserve	CPD Project Reserve	EBA Reserve	Legal Services Reserve	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2010	11,778,556	4,141,491	400,000	22,335	186,327	-	-	-	-	-	16,528,116
Surplus for the year	5,238,095	-	-	-	-	-	-	-	-	-	5,238,095
Transfers to and from reserves											
- Federal aged care campaign reserves	(125,000)	-	-	-	-	125,000	-	-	-	-	-
- Aged care EBA campaign reserve	(125,000)	-	-	-	-	-	125,000	-	-	-	-
- CPD project reserve	(673,000)	-	-	-	-	-	-	673,000	-	-	-
- EBA reserve	(3,700,000)	-	-	-	-	-	-	-	3,700,000	-	-
- Legal services reserve	(300,000)	-	-	-	-	-	-	-	-	300,000	-
Balance at 30 June 2011	12,094,251	4,141,698	400,000	22,335	186,327	125,000	125,000	673,000	3,700,000	500,000	21,767,811

The accompanying notes form part of the financial statements.

Australian Nursing Federation (Victorian Branch) and Controlled Entity

ABN: 80 571 091 192

Statement of Changes in Equity

For the Year Ended 30 June 2011

2010

Consolidated

	Accumulated Surpluses	Asset Revaluation Reserve	Members Entitlement Protection Fund	Special Projects Fund	General Reserve	Total
	\$	\$	\$	\$	\$	\$
Balance at 1 July 2009	10,542,529	5,451,298	400,000	22,836	186,327	16,402,469
Surplus for the year	1,436,027	-	-	-	-	1,436,027
Revaluation increment (decrement)	-	(1,309,400)	-	-	-	(1,309,400)
Balance at 30 June 2010	11,778,556	4,141,898	400,000	22,836	186,327	16,529,118

The accompanying notes form part of the financial statements

Australian Nursing Federation (Victorian Branch) and Controlled Entity

ABN: 60 571 091 192

Statement of Cash Flows

For the Year Ended 30 June 2011

Note	Consolidated		Parent	
	2011 \$	2010 \$	2011 \$	2010 \$
Cash from operating activities:				
Receipts from customers	27,591,182	22,405,213	27,463,177	22,166,792
Payments to suppliers and employees	(20,362,467)	(17,857,801)	(20,847,959)	(18,487,669)
Interest received	139,764	29,595	138,381	28,148
Finance costs	(486,959)	(549,261)	(255,332)	(230,388)
Capitalisation Fees - ANF Federal Office	(833,772)	(746,160)	(833,772)	(746,160)
Net cash provided by (used in) operating activities	6,047,748	3,281,586	5,664,495	2,750,723
Cash flows from investing activities:				
Proceeds from sale of plant and equipment	48,658	31,438	49,658	31,438
Acquisition of property, plant and equipment	(811,169)	(3,727,144)	(718,604)	(660,023)
Loans to related parties - payments made	-	-	(4,180,135)	(716,653)
Net cash provided by (used in) investing activities	(761,511)	(3,695,706)	(4,849,081)	(1,545,138)
Cash flows from financing activities:				
Proceeds from borrowings	-	1,624,681	169,695	-
Repayment of borrowings	(4,423,303)	-	-	(110,633)
Net cash provided by (used in) financing activities	(4,423,303)	1,624,681	169,695	(110,633)
Net cash increase (decreases) in cash and cash equivalents	862,934	1,210,471	985,109	1,104,752
Cash and cash equivalents at beginning of year	2,845,672	1,835,201	2,672,013	1,567,261
Cash and cash equivalents at end of year	3,708,606	2,845,672	3,657,122	2,672,013

The accompanying notes form part of the financial statements.

Australian Nursing Federation (Victorian Branch) and Controlled Entity

ABN: 80 571 091 192

Notes to the Financial Statements

For the Year Ended 30 June 2011

The financial report includes the consolidated financial statements and notes for Australian Nursing Federation (Victorian Branch) and Controlled Entity ("Group"), and the separate financial statements and notes of Australian Nursing Federation - Victorian Branch as an individual entity ("Parent Entity").

Note 1 Summary of Significant Accounting Policies

1a Basis of preparation

Australian Nursing Federation (Victorian Branch) and Controlled Entity has elected to early adopt the pronouncements AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements to the annual reporting period beginning 1 July 2010.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board and the Fair Work (Registered Organisations) Act 2009.

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. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

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

1b Comparative figures

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

1c Principles of consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by Australian Nursing Federation (Victorian Branch) at the end of the reporting period. A controlled entity is any entity over which Australian Nursing Federation (Victorian Branch) has the power to govern the financial and operating policies so as to obtain benefits from its activities. Control will generally exist when the parent owns, directly or indirectly through subsidiaries, more than half of the voting power of an entity. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are also considered.

In preparing the consolidated financial statements, all inter-group balances and transactions between entities in the group have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

Details on the controlled entity is contained in Note 16 of the financial statements.

Australian Nursing Federation (Victorian Branch) and Controlled Entity

ABN: 80 571 091 192

Notes to the Financial Statements

For the Year Ended 30 June 2011

Note 1 Summary of Significant Accounting Policies continued

1d Property, plant and equipment

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

Freehold Property

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

In periods when the freehold land and buildings are not subject to an independent valuation, the councillors review the values to ensure the carrying amount for the land and buildings is not materially different to the fair value.

Increases in the carrying amount arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in the revaluation surplus in equity. Revaluation decreases that offset previous increases of the same class of assets shall be recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are charged to the statement of comprehensive income.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Plant and equipment

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

The carrying amount of plant and equipment is reviewed annually by councillors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of depreciated replacement cost.

Depreciation

The depreciable amount of fixed assets (excluding land and buildings and including capitalised leased assets) is depreciated on a diminishing value basis and over the asset's useful life to the group commencing from the time the asset is held ready for use. Buildings are depreciated on a straight line basis and land is excluded from depreciation. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

Australian Nursing Federation (Victorian Branch) and Controlled Entity

ABN: 80 571 091 192

Notes to the Financial Statements

For the Year Ended 30 June 2011

Note 1 Summary of Significant Accounting Policies continued

1d Property, plant and equipment continued

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

Class of Fixed Asset	Depreciation Rate
Buildings	2.5%
Plant and Equipment	15% - 30%
Motor Vehicles	25%
Leasehold Improvements	33%

The assets' residual values, depreciation methods and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Each asset class' carrying amount is written down immediately to its recoverable amount if the class' carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to accumulated surpluses.

1e Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the group becomes a party to the contractual provisions of the instrument. For financial assets, this is the equivalent to the date that the group commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

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

Classification and subsequent measurement

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

Australian Nursing Federation (Victorian Branch) and Controlled Entity

ABN: 80 571 091 192

Notes to the Financial Statements

For the Year Ended 30 June 2011

Note 1 Summary of Significant Accounting Policies continued

1e Financial instruments continued.

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

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

(i) Loans and receivables:

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

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period. All other loans and receivables are classified as non-current assets.

(ii) 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 group's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

Held-to-maturity investments are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period. (All other investments are classified as current assets.)

(iii) Financial liabilities:

Non-derivative financial liabilities are subsequently measured at amortised cost.

Impairment:

At the end of each reporting period, the group assesses whether there is objective evidence that a financial instrument has been impaired. Impairment losses are recognised in the statement of comprehensive income.

Derecognition

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

Australian Nursing Federation (Victorian Branch) and Controlled Entity

ABN: 80 571 091 192

Notes to the Financial Statements

For the Year Ended 30 June 2011

Note 1 Summary of Significant Accounting Policies continued

1f Impairment

At the end of each reporting period, the group reviews the carrying values of its assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use or depreciated replacement cost, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

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

1g Employee benefits

Provision is made for the group's liability for employee benefits arising from services rendered by employees to the end of the reporting period including on-costs. 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.

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

1h Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the group during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

1i Income taxes

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

Australian Nursing Federation (Victorian Branch) and Controlled Entity

ABN: 80 571 091 192

Notes to the Financial Statements

For the Year Ended 30 June 2011

Note 1 Summary of Significant Accounting Policies continued

1j 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 entities in the group, are classified as finance leases.

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

Leased assets are depreciated on a diminishing value basis over their estimated useful lives where it is likely that the group will obtain ownership of the asset. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

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

1k Revenue

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

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

Revenue from the rendering of a service is recognised upon the delivery of the service to the customer.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

Donations are recognised as revenue when received.

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

Revenue from membership subscriptions is recognised as revenue when received.

Student fees and professional development fees are recognised as income when received except for RTO related fees. RTO related fees are recognised as income in advance until the completion of the student's course.

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

Australian Nursing Federation (Victorian Branch) and Controlled Entity

ABN: 80 571 091 192

Notes to the Financial Statements

For the Year Ended 30 June 2011

Note 1 Summary of Significant Accounting Policies continued

1f Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis, except for the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the ATO. The GST component of financing and investing activities which is recoverable from, or payable to, the ATO is classified as a part of operating cash flows. Accordingly, investing and financing cash flows are presented in the statement of cash flows net of the GST that is recoverable from, or payable to, the ATO.

1m Critical Accounting Estimates and Judgments

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

(i) Key Estimates - Impairment

The group assessed impairment at the end of each reporting period by evaluation of conditions and events specific to the group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using depreciated replacement cost calculations which incorporate various key assumptions.

The freehold land and buildings were independently valued at 30 June 2010 by Charter Keck Cramer. The valuation was based on the fair value less cost to sell. The critical assumptions adopted in determining the valuation included the capitalisation of net income approach and the direct comparison approach. The valuation resulted in a revaluation decrement of \$1,309,400 being recognised for the year ended 30 June 2010.

At 30 June 2011, the branch council reviewed the key assumptions adopted by the valuers in 2010 and do not believe there has been a significant change in the assumptions at 30 June 2011. The councillors therefore believe the carrying value of the land correctly reflects the fair value less cost to sell at 30 June 2011.

(ii) Key Judgment - Useful lives of property, plant and equipment

Property, plant and equipment are depreciated over their useful life and the depreciation rates are assessed when the assets are acquired or when there is a significant change that affects the remaining useful life of the asset.

Australian Nursing Federation (Victorian Branch) and Controlled Entity

ABN: 80 571 091 192

Notes to the Financial Statements

For the Year Ended 30 June 2011

Note 2 Revenue and Other Income

	Consolidated		Parent	
	2011	2010	2011	2010
	\$	\$	\$	\$
Revenue				
- Membership fees	21,761,393	18,021,760	21,761,393	18,021,760
- Sponsorships and grants	2,642,838	1,371,941	2,642,838	1,371,941
- Distributions received	-	-	287,197	(34,934)
- Rent received	205,472	188,034	-	-
- Education and training	459,003	433,597	459,003	433,597
- Interest received	139,764	29,595	138,381	28,149
Total revenue	25,208,470	20,044,926	25,288,812	19,820,513
Other income				
- Sundry income	91,052	290,399	91,052	290,399
Total other income	91,052	290,399	91,052	290,399

Note 3 Surplus from Ordinary Activities

Interest expense on financial liabilities not at fair value through profit or loss:

- Hire purchase charges	60,130	57,838	60,130	57,838
- Bank fees and interest expense	426,829	480,269	195,202	172,549
Total finance costs	486,959	547,107	255,332	230,387

Other expenses:

Contributions to defined contribution superannuation funds	1,181,889	1,076,159	1,181,889	1,076,159
ANF capitation fees - Federal Office	833,772	746,160	833,772	746,160
Depreciation expense	814,644	949,833	408,280	374,774
Net loss on disposal of property, plant and equipment	6,016	2,763	6,016	2,763

Australian Nursing Federation (Victorian Branch) and Controlled Entity

ABN: 80 571 091 192

Notes to the Financial Statements

For the Year Ended 30 June 2011

Note 4 Cash and Cash Equivalents

	Consolidated		Parent	
	2011	2010	2011	2010
Note	\$	\$	\$	\$
Cash at bank and in hand	953,554	2,845,672	902,070	2,672,013
Short-term bank deposits	2,755,052	-	2,755,052	-
	<u>3,708,606</u>	<u>2,845,672</u>	<u>3,657,122</u>	<u>2,672,013</u>

Note 5 Trade and other receivables

CURRENT

Other receivables	29,215	40,192	27,822	34,988
Total current trade and other receivables	<u>29,215</u>	<u>40,192</u>	<u>27,822</u>	<u>34,988</u>

NON-CURRENT

Related party receivables	(a)	-	16,384,526	12,204,391
		<u>-</u>	<u>16,384,526</u>	<u>12,204,391</u>

(a) The related party receivables relates to a receivable from its controlled entity, NSE Property Trust (NSE). These loans were provided to NSE to fund building costs for redevelopment and extensions to the building. The terms of the loans are interest free and are not repayable within the next 12 months. There are no assets held as security on the loans.

Note 6 Other Financial Assets

NON-CURRENT

Investment in NSE Property Trust	-	-	14	14
	<u>-</u>	<u>-</u>	<u>14</u>	<u>14</u>

Australian Nursing Federation (Victorian Branch) and Controlled Entity

ABN: 80 571 091 192

Notes to the Financial Statements

For the Year Ended 30 June 2011

Note 7 Property plant and equipment

Note	Consolidated		Parent	
	2011 \$	2010 \$	2011 \$	2010 \$
LAND AND BUILDINGS				
Freehold land				
At fair value	6,000,000	6,000,000	-	-
Total land	6,000,000	6,000,000	-	-
Building				
At fair value	14,890,624	14,800,000	-	-
Less accumulated depreciation	(372,265)	-	-	-
Total buildings	14,518,359	14,800,000	-	-
Total land and buildings	20,518,359	20,800,000	-	-
PLANT AND EQUIPMENT				
Plant and equipment				
At cost	4,456,294	4,149,369	3,376,490	3,071,505
Less accumulated depreciation	(3,336,648)	(3,134,878)	(2,395,179)	(2,227,308)
Total plant and equipment	1,119,646	1,014,491	981,311	844,197
Motor vehicles				
At cost	1,103,354	1,031,342	1,103,354	1,031,342
Less accumulated depreciation	(321,410)	(350,161)	(321,410)	(350,161)
Total motor vehicles	781,944	681,181	781,944	681,181
Improvements				
At cost	55,528	31,853	55,528	31,853
Less accumulated depreciation	(29,732)	(22,630)	(29,732)	(22,630)
Total improvements	25,796	9,023	25,796	9,023
Total plant and equipment	1,927,386	1,704,895	1,789,051	1,534,401
Total property, plant and equipment	22,445,745	22,504,895	1,789,051	1,534,401

Australian Nursing Federation (Victorian Branch) and Controlled Entity

ABN: 80 571 091 192

Notes to the Financial Statements

For the Year Ended 30 June 2011

Note 7 Property plant and equipment continued

7a 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

Parent

	Plant and Equipment	Motor Vehicles	Improvements	Total
	\$	\$	\$	\$
Balance at the beginning of year	844,197	681,181	9,023	1,534,401
Additions	322,677	570,465	23,875	917,017
Disposals	-	(254,087)	-	(254,087)
Depreciation expense	(185,663)	(215,615)	(7,102)	(408,280)
Balance at 30 June 2011	981,311	781,944	25,796	1,789,051

Consolidated

	Land	Buildings	Plant and Equipment	Motor Vehicles	Improvements	Total
	\$	\$	\$	\$	\$	\$
Balance at the beginning of year	6,000,000	14,800,000	1,014,081	681,181	9,023	22,504,095
Additions	-	80,624	324,617	570,465	23,875	1,009,581
Disposals	-	-	-	(254,087)	-	(254,087)
Depreciation expense	-	(172,265)	(219,662)	(215,615)	(7,102)	(814,644)
Balance at 30 June 2011	6,000,000	14,518,359	1,119,646	781,944	25,796	22,445,745

Australian Nursing Federation (Victorian Branch) and Controlled Entity

ABN: 80 571 091 192

Notes to the Financial Statements

For the Year Ended 30 June 2011

Note 7 Property plant and equipment continued

7b Asset revaluations

The freehold land and buildings were independently valued at 30 June 2010 by Charter Keck Cramer. The valuation was based on the fair value less cost to sell. The critical assumptions adopted in determining the valuation included the capitalisation of net income approach and the direct comparison approach. The valuation resulted in a revaluation decrement of \$1,309,400 being recognised for the year ended 30 June 2010.

At 30 June 2011, the branch council reviewed the key assumptions adopted by the valuers in 2010 and do not believe there has been a significant change in the assumptions at 30 June 2011. The councillors therefore believe the carrying value of the land correctly reflects the fair value less cost to sell at 30 June 2011.

7a Security

Property situated at 532 and 540 Elizabeth St Melbourne VIC are pledged as security for the bank loans as per Note 10.

Note 8 Other Assets

	Consolidated		Parent	
	2011	2010	2011	2010
	\$	\$	\$	\$
CURRENT				
Prepayments	344,412	80,080	344,412	80,080
	<u>344,412</u>	<u>80,080</u>	<u>344,412</u>	<u>80,080</u>

Note 9 Trade and other payables

	Consolidated		Parent	
	2011	2010	2011	2010
	\$	\$	\$	\$
CURRENT				
Unsecured liabilities				
Trade and other payables	942,775	771,945	942,775	745,024
	<u>942,775</u>	<u>771,945</u>	<u>942,775</u>	<u>745,024</u>

Australian Nursing Federation (Victorian Branch) and Controlled Entity

ABN: 80 571 091 192

Notes to the Financial Statements

For the Year Ended 30 June 2011

Note 10 Borrowings

	Note	Consolidated		Parent	
		2011 \$	2010 \$	2011 \$	2010 \$
CURRENT					
Secured liabilities:					
Finance lease obligation	13	353,031	317,216	353,031	317,216
Total current borrowings		353,031	317,216	353,031	317,216
NON-CURRENT					
Secured liabilities:					
Finance lease obligation	10(b), 13	442,476	308,596	442,476	308,596
Bank loans	10(a)	183,133	4,776,133	-	-
Total non-current borrowings		625,609	5,084,729	442,476	308,596

(a) NSE Property Trust has a bank bill facility of \$7,500,000, of which part of the facility was drawn down to fund building costs for redevelopment and extensions to the buildings. \$4,593,000 was repaid during the year, with a remaining balance of \$183,133 to be repaid in future years. The facility expires on 31 December 2018 and bears a variable interest rate.

The bank bill is secured by registered mortgages over the property situated at 532 and 540 Elizabeth Street Melbourne VIC, a fixed and floating charge over the whole of the assets of NSE Property Pty Ltd as trustee for the NSE Property Trust and guarantee and indemnity for \$7.5m given by Australian Nursing Federation (Victorian Branch).

(b) Lease liabilities are secured by the underlying leased assets.

Note 11 Provisions

Analysis of total provisions

Current	2,267,100	2,134,174	2,267,100	2,134,174
Non-current	165,054	110,597	165,054	110,597
	2,432,154	2,244,761	2,432,154	2,244,761

Australian Nursing Federation (Victorian Branch) and Controlled Entity

ABN: 80 571 091 192

Notes to the Financial Statements

For the Year Ended 30 June 2011

Note 11 Provisions continued

Parent

	Total \$
Employee entitlements	
Opening balance at 1 July 2010	2,244,761
Additional provisions	1,252,112
Utilised during the period	<u>(1,064,719)</u>
Balance at 30 June 2011	<u>2,432,154</u>

Consolidated

	Total \$
Employee entitlements	
Opening balance at 1 July 2010	2,244,761
Additional provisions	1,252,112
Utilised during the period	<u>(1,064,719)</u>
Balance at 30 June 2011	<u>2,432,154</u>

Note 12 Income in Advance

Note	Consolidated		Parent	
	2011 \$	2010 \$	2011 \$	2010 \$
Student fees (i) advance	406,598	523,072	406,598	523,072
	<u>406,598</u>	<u>523,072</u>	<u>406,598</u>	<u>523,072</u>

Australian Nursing Federation (Victorian Branch) and Controlled Entity

ABN: 80 571 091 192

Notes to the Financial Statements

For the Year Ended 30 June 2011

Note 13 Capital and Leasing Commitments

13a Finance lease commitments

	Note	Consolidated		Parent	
		2011 \$	2010 \$	2011 \$	2010 \$
Payable - minimum lease payments:					
- no later than 1 year		376,340	331,876	376,340	331,876
- between 1 year and 3 years		479,297	351,974	479,297	351,974
Minimum lease payments		855,637	683,850	855,637	683,850
Less: finance charges		(60,130)	(57,838)	(60,130)	(57,838)
Present value of minimum lease payments		795,507	625,812	795,507	625,812

Finance leases are in place for motor vehicles and normally have a term of 3 years.

Note 14 Financial Risk Management

The Group's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable, bank loans and overdrafts, loans to and from subsidiaries and leases.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

Financial Assets

Cash and cash equivalents	4, (i)	3,708,606	2,845,672	3,657,122	2,672,013
Trade and other receivables	5, (ii)	29,215	40,192	16,384,526	12,204,391

Total financial assets

		3,737,821	2,885,864	20,041,648	14,876,404
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Financial Liabilities

Trade and other payables	8, (i)	942,775	771,945	942,775	745,024
Borrowings (excluding leases)	10, (i)	183,133	4,776,133	-	-
Student fees in advance	12, (i)	406,598	523,072	406,598	523,072
Finance lease obligation		795,507	625,812	795,507	625,812

Total financial liabilities

		2,328,013	6,696,982	2,144,880	1,893,808
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Australian Nursing Federation (Victorian Branch) and Controlled Entity

ABN: 80 571 091 192

Notes to the Financial Statements

For the Year Ended 30 June 2011

Note 14 Financial Risk Management continued Net Fair Values

The fair values disclosed in the above table have been determined based on the following methodologies:

- (i) Cash and cash equivalents, trade and other receivables, trade and other payables, borrowings and student fees in advance are short term instruments in nature whose carrying value is equivalent to fair value. Trade and other payables excludes amounts provided for relating to annual and long service leave which is not considered a financial instrument.
- (ii) The fair values of finance leases are determined by using a discounted cash flow model incorporating the current commercial borrowing rates.

Note 15 Key Management Personnel

Branch councillors are not remunerated in their capacity as councillors, but for other roles within the entity. The totals of remuneration paid to key management personnel of the entity and the group during the year are as follows:

	Consolidated		Parent	
	2011	2010	2011	2010
	\$	\$	\$	\$
Key management personnel compensation	514,172	446,754	514,172	446,754

Note 16 Controlled Entity

Subsidiaries of Australian Nursing Federation - Victorian Branch:

NSE Property Trust - The trust is a discretionary trust and the trustee of the trust is NSE Property Pty Ltd. Australian Nursing Federation - Victorian Branch has ultimate control over the trust and the trustee as Australian Nursing Federation - Victorian Branch is the appointor of the trust and also owns 100% of the trustee company. Under the trust deed, the sole beneficiary of the trust are the members of Australian Nursing Federation - Victorian Branch.

Note 17 Contingent Liabilities and Contingent Assets

In the opinion of the councillors, the group did not have any contingencies at 30 June 2011.

Note 18 Related Party Transactions

The group did not take part in any transaction with related parties during the period ended 30 June 2011, apart from those transactions that it undertakes with the Federal Office in its role as the umbrella organisation.

Australian Nursing Federation (Victorian Branch) and Controlled Entity

ABN: 80 571 091 192

Notes to the Financial Statements

For the Year Ended 30 June 2011

Note 19. Cash Flow Information

Reconciliation of cashflow from operations with surplus for the year

	Consolidated		Parent	
	2011	2010	2011	2010
	\$	\$	\$	\$
Net surplus for the year	5,238,695	1,436,027	5,238,695	1,436,027
Non-cash flows (in surplus)				
Depreciation	814,644	949,832	408,280	374,774
Net loss on disposal of property, plant and equipment	6,016	142,531	6,016	142,532
Changes in assets and liabilities				
(Increase)/decrease in trade and term receivables	10,977	205,802	7,166	211,002
(Increase)/decrease in other assets	(264,332)	(3,080)	(264,332)	(3,080)
Increase/(decrease) in trade payables and accruals	170,829	130,851	197,751	179,345
Increase/(decrease) in other payables	(116,474)	=	(116,474)	=
Increase/(decrease) in provisions	187,393	420,123	187,393	420,123
	<u>6,047,748</u>	<u>3,281,586</u>	<u>5,664,495</u>	<u>2,760,723</u>

Australian Nursing Federation (Victorian Branch) and Controlled Entity

ABN: 80 571 091 192

Notes to the Financial Statements

For the Year Ended 30 June 2011

Note 20 Reserves

Asset revaluation reserve

The asset revaluation reserve records revaluation of property recorded at fair value.

Members entitlement protection fund

The members entitlement protection fund records funds set aside to ensure member entitlements are covered by the consolidated group.

Special projects fund

The special projects fund records funds set aside for special projects of the consolidated group.

General reserve

The general reserve records funds set aside for future expansion of the consolidated group.

Federal aged care campaign reserve

The federal aged care campaign reserve records funds set aside for campaign expenditure in relation to the federal aged care campaign of the group.

Aged care EBA campaign reserve

The aged care EBA campaign reserve records funds set aside for campaign expenditure in relation to the aged care campaign of the group.

CPD project reserve

The CPD project reserve records funds set aside for the development of online courses that the Australian Nursing Federation (Victorian Branch) will be offering free of charge to members as part of the membership package in the provision of CPD hours.

EBA reserve

The EBA reserve records funds set aside for campaign expenditure in relation to the Enterprise Bargaining Agreement 2011 of the consolidated group.

Legal services reserve

The legal services reserve records funds set aside to establish an inhouse legal services team to provide legal services to members free of charge as part of the membership package.

Australian Nursing Federation (Victorian Branch) and Controlled Entity

ABN: 80 571 091 192

Notes to the Financial Statements

For the Year Ended 30 June 2011

Note 21 Events after the end of the Reporting Period

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the group and the results of those operations.

Note 22 Entity Details

The registered office and principal place of business of the Branch is:
Australian Nursing Federation - Victorian Branch
540 Elizabeth Street
Melbourne Vic 3000

Note 23 Information to be Supplied to Members or Registrar

Information must be provided to members or Registrar as follows in accordance with Section 272 of the Fair Work (Registered Organisations) Act 2009:

- (1) A member of the Australian Nursing Federation and Consolidated Entity (group), or the Registrar, may apply to the group for specific prescribed information in relation to the group to be made available to the person making the application.
- (2) The application must be in writing and must specify the period within which and the manner in which, the information is to be made available. The period must be not less than 14 days after the application has been given to the group.
- (3) The group must comply with an application made under subsection (1).

Australian Nursing Federation (Victorian Branch) and Controlled Entity

ABN: 80 571 091 192

Statement by Branch Council

For the Year Ended 30 June 2011

On 8 November 2011 the Branch Council of the Australian Nursing Federation (Victorian Branch) and Controlled Entity passed the following resolution in relation to the general purpose financial report of the group for the year ended 30 June 2011:

The Branch Council declare that:

1. The financial statements and notes, as set out on pages 4 to 29, are in accordance with the Fair Work (Registered Organisations) Act 2009 and:
 - a. comply with Australian Accounting Standards-Reduced Disclosure Regime (including Australian Accounting Interpretations); and
 - b. comply with the reporting guidelines of the General Manager of the Fair Work Act; and
 - c. give a true and fair view of the financial position as at 30 June 2011 and of the performance and cash flows for the year ended on that date.
2. In the councillors' opinion, there are reasonable grounds to believe that the group will be able to pay its debts as and when they become due and payable.
3. During the financial year ended 30 June 2011 and since the end of that year:
 - a. meetings of the Branch Council were held in accordance with the rules of Australian Nursing Federation (Victorian Branch) and controlled entity
 - b. the financial affairs of the group have been managed in accordance with the rules of the group
 - c. the financial records of the group have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009 and Fair Work (Registered Organisations) Regulations 2009;
 - d. the information sought in any request of a member of the group or the General Manager of the 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 of the Fair Work Australia;
 - e. there has been compliance with any order for inspection of financial records have been made by Fair Work Australia under section 273 of the Fair Work (Registered Organisations) Act 2009; and
 - f. the group did not participate in any recovery of wages activity.

Signed in accordance with a resolution of the Branch Council:

Australian Branch Secretary


Ms Lisa Fitzpatrick

Dated 8 November 2011

Australian Nursing Federation (Victorian Branch) and Controlled Entity

ABN: 80 571 091 192

Independent Audit Report to the members of Australian Nursing Federation (Victorian Branch) and Controlled Entity

Report on the Financial Report

We have audited the accompanying general purpose financial report of Australian Nursing Federation (Victorian Branch) (the entity) and Australian Nursing Federation (Victorian Branch) and Controlled Entity (the group), which comprises the statement of financial position position as at 30 June 2011, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Statement by Branch Council of the group comprising the entity and the entity it controlled at the year's end or from time to time during the financial year.

Councillors' Responsibility for the Financial Report

The councillors of the group are responsible for the preparation and fair presentation of the financial report in accordance with the Australian Accounting Standards - Reduced Disclosure Regime (including Australian Accounting Interpretations) and the Fair Work (Registered Organisations) Act 2009, and for such internal control as the councillors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the group'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 group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by councillors, 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 Australian professional ethical pronouncements.

Australian Nursing Federation (Victorian Branch) and Controlled Entity

ABN: 80 571 091 192

Independent Audit Report to the members of Australian Nursing Federation (Victorian Branch) and Controlled Entity

Auditor's Opinion

In our opinion:

- (a) the general purpose financial report of the Australian Nursing Federation (Victorian Branch) and Australian Nursing Federation (Victorian Branch) and Controlled Entity presents fairly the financial position as at 30 June 2011 and of its financial performance and cash flows for the year then ended and is in accordance with:
- (i) Australian Accounting Standards - Reduced Disclosure Requirements (including Australian Accounting Interpretations); and
 - (ii) requirements of the Fair Work (Registered Organisations) Act 2009 (the Act) including Part 3 of Chapter 8 of the Act
- (b) the group did not participate in any recovery of wages activity during the year.

Saward Dawson Chartered Accountants

Peter Shields
Partner

Blackburn VIC

Dated: 8 November 2011



Fair Work Australia

20 December 2011

Ms Lisa Fitzpatrick
Secretary
Australian Nursing Federation
Victorian Branch
540 Elizabeth St
MELBOURNE VIC 3000

By email: records@anfvic.asn.au

Dear Ms Fitzpatrick,

Re: Financial Report – ANF - Victorian Branch - FR2011/2576
Fair Work (Registered Organisations) Act 2009 (RO Act)

We acknowledge receipt of the Financial Report for the Victorian Branch of the Australian Nursing Federation. The documents were lodged on 14 December 2011.

The documents have been filed.

The following information is provided to assist you in future financial years. No further action is requested with respect to the documents lodged.

Section 272 Notice.

The Financial Report included a notice as required under s.272 of the RO Act (at Note 23 of the Accounts). The wording in the notice was based on superseded legislation. In future years please ensure that the wording in the notice is amended so as to ensure that the notice complies with the current wording of s.272 of the *Fair Work (Registered Organisations) Act 2009*.

If you have any queries regarding the above please contact me on (03) 8661 7990 or at andrew.schultz@fwa.gov.au.

Yours faithfully,

Andrew Schultz
Organisations, Research and Advice