

AUSTRALIAN PRACTICE NURSES ASSOCIATION INC.
ABN 30 390 041 210

FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 DECEMBER 2006**

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DIRECTORS REPORT

Your Directors present the report on the association for the year ended 31 December 2006.

Board of Directors

The names of the directors in office during the period and up to the date of this report are:

Lynne Walker – appointed August 2001
Anne Matyear – appointed 27 August 2004
Val McKenzie – resigned 28 May 2006
Julianne Badenoch – appointed 27 August 2004
Nicole Birrell – resigned 16 February 2007
John Wills – resigned 6 February 2006
Judy Evans – appointed 31 May 2005
Deborah Ingram – appointed 31 May 2005
Chanel Beaver – resigned 28 May 2006
Johanna Engwerda – resigned 24 November 2006
John Douglas – appointed 16 February 2007
Maurice Wrightson – appointed 16 February 2007

Principal Activities

The principal activities of the association during the year were to provide services to members of the Australian Practice Nurses Association Inc.

There were no significant changes in the nature of the association's principal activities during the year.

Significant Changes

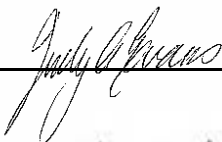
No significant change in the nature of these activities occurred during the year.

Operating Results


The net surplus of the association for the year amounted to \$20,379 compared to a surplus of \$10,234 in 2005.

Signed in accordance with a resolution of the Board of Directors.

Judy Evans
President



Maurice Wrightson
Director



Date this 23rd day of May 2007.

INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2006

	Notes	2006 \$	2005 \$
Revenue			
Membership fees		127,521	76,226
Government grants	2	809,502	594,102
Interest revenue		16,188	3,330
Other revenue	3	38,520	97,360
		<u>991,731</u>	<u>771,018</u>
Expenditure			
Employee expenses		254,533	189,308
Depreciation expenses		7,059	4,151
Finance costs		5,803	5,353
Advertising expenses		38,882	52,717
Workshop expenses		14,720	39,715
Scholarships	4	404,239	150,950
Program costs	5	80,653	143,273
Administration expenses	6	165,463	175,317
		<u>971,352</u>	<u>760,784</u>
Profit before income tax	15	<u>20,379</u>	<u>10,234</u>
Income tax expense	1 (a)	-	-
Net result for the period	15	<u>20,379</u>	<u>10,234</u>

The accompanying notes form part of these accounts.

AUSTRALIAN PRACTICE NURSES ASSOCIATION INC.
ABN 30 390 041 210

BALANCE SHEET

AS AT 31 DECEMBER 2006

	Notes	2006	2005
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	7	524,472	500,456
Trade and other receivables	8	1,135	138,755
Other assets	9	2,969	2,029
Total current assets		<u>528,576</u>	<u>641,240</u>
NON-CURRENT ASSETS			
Property, plant and equipment	10	24,861	15,503
Total non-current assets		<u>24,861</u>	<u>15,503</u>
TOTAL ASSETS		<u>553,437</u>	<u>656,743</u>
CURRENT LIABILITIES			
Trade and other payables	11	155,211	28,177
Grants in advance	12	321,358	580,405
Provisions	13	8,328	-
Total current liabilities		<u>484,897</u>	<u>608,582</u>
TOTAL LIABILITIES		<u>484,897</u>	<u>608,582</u>
NET ASSETS		<u>68,540</u>	<u>48,161</u>
EQUITY			
Accumulated surplus	14	68,540	48,161
TOTAL EQUITY		<u>68,540</u>	<u>48,161</u>

The accompanying notes form part of these accounts.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2006

	Retained Surplus \$	Total Equity \$
Total equity at 1 January 2005	37,927	37,927
Surplus for the year	10,234	10,234
Total equity at 31 December 2005	48,161	48,161
Surplus for the year	20,379	20,379
Total equity at 31 December 2006	68,540	68,540

The accompanying notes form part of these accounts.

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2006

	Notes	2006	2005
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members		127,521	76,226
Government grants received		688,075	817,057
Other receipts		38,520	96,497
Interest received		16,188	3,330
Payments to suppliers and employees		(828,492)	(770,398)
Net cash flows from operating activities	15 (b)	<u>41,812</u>	<u>222,712</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant & equipment		351	-
Payments for property, plant and equipment		(18,147)	(9,045)
Net cash flows from investing activities		<u>(17,796)</u>	<u>(9,045)</u>
Net increase/(decrease) in cash held		24,016	213,667
Cash at the beginning of the financial year		500,456	286,789
Cash at the end of the financial year	15 (a)	<u><u>524,472</u></u>	<u><u>500,456</u></u>

The accompanying notes form part of these accounts.

NOTES TO AND FORMING PART OF THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2006

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a special purpose financial report that has been prepared in accordance with Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Associations Incorporation Act Victoria. Accounting standards include Australian equivalents to International Financial Reporting Standards (A-IFRS).

The financial report covers Australian Practice Nurses Association Inc. as an individual entity incorporated in Victoria under the Associations Incorporation Act 1981.

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

Basis of accounting

Reporting Basis and Conventions

The accounts have been prepared on an accrual basis and is based on historical cost convention and except where stated do not take into account current valuations of non-current assets.

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

(a) Income Tax

The Association does not provide for Income Tax as it is exempt under the provisions of Section 50-10 of the Income Tax Assessment Act 1997.

(b) Revenue recognition

Revenue from specific purpose grants is recognised as the services are provided and the funding agreement requirements satisfied. Revenue from rendering of services is recognised upon the delivery of the services to customers.

Interest is recognised as it is earned.

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

(c) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses. Assets purchased for consideration greater than \$500 are capitalised.

The depreciable amount of all fixed assets is depreciated on a straight line basis over their useful lives to the association from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

NOTES TO AND FORMING PART OF THE ACCOUNTS (Cont'd)

FOR THE YEAR ENDED 31 DECEMBER 2006

(c) Property, plant and equipment (Cont'd)

Depreciation rates currently applied to each class of asset are as follows:

- Plant and equipment - 15%
- Office equipment – 7.5% to 50%

(d) Impairment of non-current assets

At each balance date the association assesses whether there is any indication that non-current assets have been impaired. If the carrying amount of a non-current asset is greater than its recoverable amount, the asset is written down to its recoverable amount. The write-down is recognised as an expense in the income statement in the reporting period it occurs.

The recoverable amounts of non-current assets are assessed by reference to the amounts that can be obtained from selling the assets or value in use. Value in use is the present value of the future cash flows expected to arise from the continuing use of the asset and from its ultimate disposal.

(e) Employee benefits

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to balance date. 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.

(f) Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

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

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

(g) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term high liquid investments with original maturities of three months or less and bank overdrafts.

(h) 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 the acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

(i) Comparative figures

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

NOTES TO AND FORMING PART OF THE ACCOUNTS (Cont'd)

FOR THE YEAR ENDED 31 DECEMBER 2006

Critical Accounting Estimates and Judgements

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

Key estimates – impairment

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

No impairment has been recognised in respect of assets.

Key judgements – Doubtful debts provision

Included in accounts receivable at 31 December 2006 is an amount receivable from trade debtors. The directors believe that the full amount will be recoverable and no doubtful debt provision has been made at 31 December 2006.

AUSTRALIAN PRACTICE NURSES ASSOCIATION INC.

ABN 30 390 041 210

NOTES TO AND FORMING PART OF THE ACCOUNTS (Cont'd)**FOR THE YEAR ENDED 31 DECEMBER 2006**

	2006	2005
	\$	\$
2. GOVERNMENT GRANTS		
Seeding grant	183,532	194,019
Wound Management & Immunisation Training, & Pap-Smear Training Project grant	625,970	400,083
	<u>809,502</u>	<u>594,102</u>
3. OTHER REVENUE		
Workshop revenue	4,994	66,441
Advertising income	5,840	136
Management fee	-	21,718
Best practice awards	15,000	-
Other income	12,686	9,065
	<u>38,520</u>	<u>97,360</u>
4. SCHOLARSHIPS		
Wound Management & Immunisation Training, & Pap-Smear Training Project scholarships	404,239	150,950
	<u>404,239</u>	<u>150,950</u>
5. PROGRAM COSTS		
Wound Management & Immunisation Training, & Pap-Smear Training Project program costs	80,653	143,273
	<u>80,653</u>	<u>143,273</u>
6. ADMINISTRATION EXPENSES		
Auditors remuneration - Audit Services	4,000	1,900
Auditors remuneration - Other Services	4,250	600
Management fee	-	21,718
Bookkeeping fees	-	10,740
Catering costs	1,636	9,829
Consultants	269	8,350
Insurance	6,485	3,156
Legal fees	3,555	190
Communication costs	12,880	10,125
Licenses, registrations & permits	15,765	166
Board training and stipend expenses	12,038	14,260
Printing and stationery	19,239	10,198
Postage and couriers	15,148	16,392
Travel and accommodation expenses	25,016	28,041
Rent	14,132	14,517
Computer costs	21,101	10,093
Loss on disposal of asset	1,379	-
AGM expenses	5,780	-
Other expenditure	2,790	15,042
	<u>165,463</u>	<u>175,317</u>

AUSTRALIAN PRACTICE NURSES ASSOCIATION INC.

ABN 30 390 041 210

NOTES TO AND FORMING PART OF THE ACCOUNTS (Cont'd)**FOR THE YEAR ENDED 31 DECEMBER 2006**

	2006	2005
	\$	\$
7. CASH AND CASH EQUIVALENTS		
Cash on hand	40	40
Cash at bank - APNA	173,882	500,416
Cash at bank - AWI	350,550	500,416
	<u>524,472</u>	<u>500,456</u>
8. TRADE AND OTHER RECEIVABLES		
Trade receivables	1,135	137,792
Net GST receivable	-	963
	<u>1,135</u>	<u>138,755</u>
9. OTHER ASSETS		
Prepayments	2,969	2,029
	<u>2,969</u>	<u>2,029</u>
10. PLANT & EQUIPMENT		
APNA Plant & equipment – at cost	28,933	18,773
Accumulated for depreciation	10,881	6,687
	<u>18,052</u>	<u>12,086</u>
APNA Furniture & equipment – at cost	5,525	3,545
Accumulated for depreciation	841	128
	<u>4,684</u>	<u>3,417</u>
AWI Plant & equipment – at cost	3,071	-
Accumulated for depreciation	1,430	-
	<u>1,641</u>	<u>-</u>
AWI Furniture & equipment – at cost	900	-
Accumulated for depreciation	416	-
	<u>484</u>	<u>-</u>
Written Down Value of Assets	<u>24,861</u>	<u>15,503</u>

NOTES TO AND FORMING PART OF THE ACCOUNTS (Cont'd)

FOR THE YEAR ENDED 31 DECEMBER 2006

10. PLANT & EQUIPMENT (Cont'd)

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 & Equip. \$	Furniture & Equip. \$	Total \$
Balance at the beginning of year	12,086	3,417	15,503
Additions	15,267	2,880	18,147
Disposals	(1,730)	-	(1,730)
Depreciation expense	(5,930)	(1,129)	(7,059)
Carrying amount at the end of year	<u>19,693</u>	<u>5,168</u>	<u>24,861</u>

	2006 \$	2005 \$
11. TRADE AND OTHER PAYABLES		
Trade creditors	17,698	8,240
Accrued expenses	2,731	10,628
Salaries payable	4,980	-
PAYG withholding tax	4,299	6,584
Superannuation payable	2,045	2,725
GST payable to ATO	38,277	-
Income in advance	85,181	-
	<u>155,211</u>	<u>28,177</u>

12. GRANTS IN ADVANCE		
Seeding grant	(1,784)	63,566
Australian Wound Management	323,142	516,839
	<u>321,358</u>	<u>580,405</u>

13. PROVISIONS		
Provisions for annual leave	8,328	-
	<u>8,328</u>	<u>-</u>

AUSTRALIAN PRACTICE NURSES ASSOCIATION INC.

ABN 30 390 041 210

NOTES TO AND FORMING PART OF THE ACCOUNTS (Cont'd)**FOR THE YEAR ENDED 31 DECEMBER 2006**

	2006	2005
	\$	\$
14. ACCUMULATED SURPLUS		
Balance at the beginning of the year	48,161	37,927
Net result for the year	20,379	10,234
Balance at the end of the year	<u>68,540</u>	<u>48,161</u>
15. CASH FLOW INFORMATION		
(a) Reconciliation of cash		
Cash at the end of the financial year as shown in the cash flow statement is as follows:		
Cash per balance sheet	<u>524,472</u>	<u>500,456</u>
(b) Reconciliation of net cash flows from operating activities to net surplus:		
Operating surplus/(deficit)	20,379	10,234
Depreciation	7,059	4,151
Loss on sale of fixed assets	1,379	-
(Increase)/decrease in receivables	137,620	(32,575)
(Increase)/decrease in prepayments	(940)	(2,029)
Increase/(decrease) in payables	127,034	(11,736)
Increase/(decrease) in other liabilities	(259,047)	254,667
Increase/(decrease) in provisions	8,328	-
Net cash flows from operating activities	<u>41,812</u>	<u>222,712</u>

16. CONTINGENT LIABILITIES

At the date of signing these accounts, the directors are not aware of any contingent liabilities.

17. EVENTS AFTER BALANCE SHEET DATE

There are no significant events which have occurred subsequent to 31 December 2006

NOTES TO AND FORMING PART OF THE ACCOUNTS (Cont'd)

FOR THE YEAR ENDED 31 DECEMBER 2006

2006

\$

18. RELATED PARTY TRANSACTIONS

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

Key management personnel compensation

Those persons having authority for planning, directing and controlling the association's activities, directly or indirectly, are:

Executive Officer	
Short-term employee benefits	80,000
Post-employment benefits	7,200
Total compensation	<u>87,200</u>

19. CAPITAL LEASING COMMITMENTS

2006

\$

Operating Lease Commitments

Non-cancellable operating leases contracted for but not capitalised in the financial statements

Payable — minimum lease payments

not later than 12 months	10,395
between 12 months and 5 years	10,915
greater than 5 years	-
	<u>21,310</u>

The property lease is a non-cancellable lease with a three-year term, with rent payable monthly in advance. Contingent rental provisions within the lease agreement require that the minimum lease payments shall be increased by 5% per annum. An option exists to renew the lease for two future terms of three years. Each future term to be subject to a market value assessment of the lease.

20. REMUNERATION OF DIRECTORS

The names of the directors in office during the period and up to the date of this report are listed in the directors report.

2006

\$0	4
\$0 - \$999	6
\$1,000 - \$9,999	2
Total number of directors	<u>12</u>

NOTES TO AND FORMING PART OF THE ACCOUNTS (Cont'd)

FOR THE YEAR ENDED 31 DECEMBER 2006

21. FINANCIAL INSTRUMENTS

(a) Interest Rate Risk Exposures

2006

	Note	Floating interest rate	Fixed interest maturing in 0 to 1 year	Fixed interest maturing in 1 year +	Non-Interest bearing	Total 31/12/06
		\$	\$	\$	\$	\$
Financial Assets						
Bank balance	7	524,472	0	0	0	524,472
Receivables	8,9	0	0	0	1,135	1,135
Total		524,472	0	0	1,135	525,607
Weighted Average Interest Rate %		4.34	0	0	0	
Financial Liabilities						
Payables	11,12	0	0	0	155,211	155,211
Loans & Advances		0	0	0	0	0
Total		0	0	0	155,211	155,211
Weighted Average Interest Rate %		0	0	0	0	

2005

	Note	Floating interest rate	Fixed interest maturing in 0 to 1 year	Fixed interest maturing in 1 year +	Non-Interest bearing	Total 31/12/05
		\$	\$	\$	\$	\$
Financial Assets						
Bank balance	7	500,456	0	0	0	500,456
Receivables	8,9	0	0	0	138,755	138,755
Total		500,456	0	0	138,755	639,211
Weighted Average Interest Rate %		3.46	0	0	0	
Financial Liabilities						
Payables	11,12	0	0	0	28,177	28,177
Loans & Advances		0	0	0	0	0
Total		0	0	0	28,177	28,177
Weighted Average Interest Rate %		0	0	0	0	

NOTES TO AND FORMING PART OF THE ACCOUNTS (Cont'd)

FOR THE YEAR ENDED 31 DECEMBER 2006

21. FINANCIAL INSTRUMENTS (Cont'd)

(b) Credit Risk Exposures

The credit risk on financial assets of the Association, which have been recognised in the Statement of Financial Position, is the carrying amount, net of any provision for doubtful debts. The Association minimises concentrations of credit risk by holding cash with major banks and undertaking transactions with either high profile or a large number of organisations. The Association is not materially exposed to any individual debtor.

(c) Net Fair Values of Financial Assets and Liabilities

The net fair value of financial assets and liabilities are not materially different to the carrying value of the financial assets and liabilities recognised in the statement of financial position.

22. SEGMENT REPORTING

The association operates predominantly in one business and geographical segment, being the nursing sector providing support services to members of the association throughout Australia.

23. ASSOCIATION DETAILS

The registered office of the association is:


Australian Practice Nurses Association Inc.
595 Little Collins Street
Melbourne Vic 3000

STATEMENT BY DIRECTORS

In the opinion of the Board of Directors the financial report as set out on pages 2 to 15:

1. Presents a true and fair view of the financial position of Australian Practice Nurses Association Inc. as at 31 December 2006 and its performance for the year ended on that date in accordance with Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board.
2. At the date of this statement, there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.

This declaration is made in accordance with a resolution of the Board of Directors.



Judy Evans
President



Maurice Wrightson
Director

Date this 23rd day of May 2007.

INDEPENDENT AUDIT REPORT

TO THE MEMBERS OF AUSTRALIAN PRACTICE NURSES ASSOCIATION INC.

Scope

We have audited the financial report, being a special purpose financial report, of Australian Practice Nurses Association Inc for the financial year ended 31 December 2006 as set out on pages 2 to 16. The Board of Directors of the Association are responsible for the financial report. We have conducted an independent audit of this financial report in order to express an opinion on it to the members of the Association.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia and statutory requirements so as to present a view which is consistent with our understanding of the Association's financial position and performance as represented by the results of their operations and their cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Independence

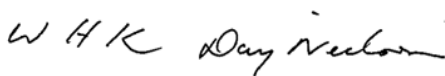
In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the Associations Incorporation Act 1981.

Audit opinion

In our opinion, the financial report of Australian Practice Nurses Association Inc. is in accordance with:

- (a) the Associations Incorporation Act 1981, including:
 - (i) giving a true and fair view of the association's financial position as at 31 December 2006 and of its performance for the year ended on that date; and
 - (ii) complying with Accounting Standards in Australia and the Associations Incorporation Act 1981; and
- (b) other mandatory professional reporting requirements.

Signed at Melbourne this 23rd day of May 2007.



WHK Day Neilson



Margaret D Crossley
Principal

AUSTRALIAN PRACTICE NURSES ASSOCIATION INC.

UNAUDITED FINANCIAL INFORMATION DISCLAIMER

The additional financial data presented in the following page is in accordance with the books and records of the Australian Practice Nurses Association Inc. which have been subject to the auditing procedures applied in our audit examination of the association for the year ended 31 December 2006.

It will be appreciated that our audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and no warranty of accuracy or reliability is given.

Also we undertake no responsibility in any way whatsoever to any person (other than the association) in respect of such data, including any errors or omissions therein however caused.

Signed at Melbourne this 23rd day of May 2007.



WHK Day Neilson



Margaret D Crossley
Principal

