



5 January 2022

Brett Holmes
Branch Secretary
Australian Nursing and Midwifery Federation - New South Wales Branch
Sent via email: gensec@nswnma.asn.au
CC: smilgate@daley.com.au

Dear Brett Holmes,

**Australian Nursing and Midwifery Federation - New South Wales Branch
Financial Report for the year ended 30 June 2021 – (FR2021/190)**

I acknowledge receipt of the financial report for the year ended 30 June 2021 for the Australian Nursing and Midwifery Federation - New South Wales Branch. The documents were lodged with the Registered Organisations Commission (**the ROC**) on 10 December 2021.

The financial report has now been filed.

The financial report was filed based on a primary review. This involved confirming that the financial reporting timelines required under s.253, s.265, s.266 and s.268 of the *Fair Work (Registered Organisations) Act 2009 (RO Act)* have been satisfied, all documents required under s.268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and reporting guidelines have been complied with. A primary review does not examine all disclosure requirements.

Please note that the financial report for the year ending 30 June 2022 may be subject to an advanced compliance review.

You are not required to take any further action in respect of the report lodged. I make the following comment to assist you when you next prepare a financial report.

You must rotate your registered auditor

Correspondence was provided to the reporting unit on 24 June 2021, which alerted you that your registered auditor is approaching their statutory limit on how many consecutive financial years they are permitted to audit your financial report. The financial report lodged identifies that Stephen Milgate was the reporting unit's registered auditor for this financial year. Our records indicate that you have now used your current registered auditor for five consecutive financial years, which is the statutory limit under section 256A.

Please ensure that Stephen Milgate is not assigned to audit the financial report of the reporting unit for at least the following two financial years. Further information on the rotation of registered auditor requirement can be found via [this link](#).

Reporting Requirements

The ROC website provides a number of factsheets in relation to the financial reporting process and associated timelines. The website also contains the s.253 reporting guidelines and a model set of financial statements.

The ROC recommends that reporting units use these model financial statements to assist in complying with the RO Act, the s.253 reporting guidelines and Australian Accounting Standards. Access to this information is available via [this link](#).

If you have any queries regarding this letter, please contact me on (03) 9603 0841 or by email at Mihiri.jayawardane@roc.gov.au.

Yours sincerely,



Mihiri Jayawardane
Registered Organisations Commission



IN REPLY PLEASE QUOTE: BH:LWAL

Ref: EF/07/0433

10 December 2021

The Commissioner
Registered Organisations Commission
GPO Box 2983
Melbourne
VIC 3001

E: regorgs@roc.gov.au

Dear Sir / Madam

**Re: Australian Nursing and Midwifery Federation New South Wales Branch
Financial Report for the year ended 30 June 2021**

Please find attached a copy of the audited Financial Statements of the Australian Nursing and Midwifery Federation New South Wales Branch (the Financial Report) for the year ended 30 June 2021.

Also following is a Designated Officer's Certificate required in accordance with s268 of the *Fair Work (Registered Organisations) Act 2009*.

If you have any queries, please contact me direct on 8595 2118 or by email at lwalker@nswnma.asn.au.

Yours sincerely

A handwritten signature in blue ink that reads "Lucy Walker".

LUCY WALKER
Manager Business Services & Compliance

Designated Officer's Certificate

S.268 *Fair Work (Registered Organisations) Act 2009*

I, Brett Holmes, being the Branch Secretary of the Australian Nursing and Midwifery Federation New South Wales Branch, certify:

- That the documents lodged herewith are copies of the full financial report, referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- That the full financial report was provided to members via the member portal website on 15 October 2021; and
- That the full report was presented to the Australian Nursing and Midwifery Federation New South Wales Branch Council (the committee of management) on 9 December 2021 in accordance with s.266(3) of the *Fair Work (Registered Organisations) Act 2009*.



BRETT HOLMES

Branch Secretary

ANMF New South Wales Branch

Date: 10/12/2021

Australian Nursing and Midwifery Federation New South Wales Branch

ABN: 85 726 054 782

Financial Statements

For the Year Ended 30 June 2021

Australian Nursing and Midwifery Federation New South Wales Branch

ABN: 85 726 054 782

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Australian Nursing and Midwifery Federation New South Wales Branch

ABN: 85 726 054 782

Operating Report

30 June 2021

The Branch Council, being the Committee of Management for the purposes of the *Fair Work (Registered Organisations) Act 2009* presents its operating report of the Australian Nursing and Midwifery Federation, New South Wales Branch ("the Branch") for the year ended 30 June 2021.

Review of principal activities, the results of these activities and any significant changes in the nature of those activities during the year

The principal activities of the Branch during the financial year were the industrial and professional representation of nurses, midwives, nursing and midwifery. No significant change in the nature of these activities occurred during the year.

A review of the operations and the results of the Branch is performed in the regular meetings of the Committee of Management. The Committee of Management believe that they have furthered the interests of their members throughout the year through the conducting of the Branch's principal activities.

The operating surplus for the Australian Nursing and Midwifery Federation, New South Wales Branch for the year ended 30 June 2021 was \$984,643 (2020: \$149,818) and the Branch Council believe that the activities of the Branch have achieved their objectives for the financial year.

Significant changes in financial affairs

There were no significant changes in the state of affairs of the Branch during the year.

Right of members to resign

Members retain the right to resign from the Australian Nursing and Midwifery Federation in accordance with section 10 of the Federal Rules and Section 174 of the *Fair Work (Registered Organisations) Act 2009* ("the RO Act"). In accordance with Section 174(1) of the RO Act a member of an organisation may resign from membership by written notice addressed and delivered to a person designated for the purpose in the rules of the organisation or a branch of the organisation.

Officers or members who are superannuation fund trustees or director of a company that is a superannuation fund trustee where being a member or officer of a registered organisation is a criterion for them holding such position

Ms Anna Claude has been a director of Health Employees Superannuation Trust Australia since 31 December 2016 and resigned effective 16 July 2021. Brett Holmes was appointed a director of Health Employees Superannuation Trust Australia following his nomination by the Australian Nursing and Midwifery Federation effective 15 September 2021.

No other officer or member of the Branch acts:

- i) as a trustee of a superannuation entity or an exempt public sector superannuation scheme; or
- ii) as a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme.

Australian Nursing and Midwifery Federation

New South Wales Branch

ABN: 85 726 054 782

Operating Report

30 June 2021

Names of Committee of Management members and period positions held during the year

The names of the Committee of Management in office at any time during the financial year were:

Name	Position	Period of Appointment
Brett Holmes	Branch Secretary	1/7/2020 to 30/6/2021
Judith Kiejda	Branch Assistant Secretary	1/7/2020 to 30/6/2021
O'Bray Smith	Branch President	1/7/2020 to 30/6/2021
Lorna Scott	Branch Vice President	1/7/2020 to 30/6/2021
Michelle Cashman	Branch Executive Member	1/7/2020 to 30/6/2021
Gary Clark	Branch Executive Member	1/7/2020 to 30/6/2021
Edward Makepeace	Branch Executive Member	1/7/2020 to 30/6/2021
Elizabeth McCall	Branch Executive Member	1/7/2020 to 30/6/2021
Kerry Rodgers	Branch Executive Member	1/7/2020 to 30/6/2021
Suzanne White	Branch Executive Member	1/7/2020 to 30/6/2021
Lisa Barry	Branch Councillor	1/9/2020 to 30/6/2021
Wing Besilos	Branch Councillor	1/7/2020 to 30/6/2021
Robyne Brown	Branch Councillor	2/3/2021 to 30/6/2021
Kate Goodman	Branch Councillor	5/5/2021 to 30/6/2021
Jocelyn Hofman	Branch Councillor	1/7/2020 to 30/6/2021
Lynette Hopper	Branch Councillor	1/7/2020 to 30/6/2021
Diane Lang	Branch Councillor	1/7/2020 to 30/6/2021
Lauren Lye	Branch Councillor	1/7/2020 to 30/6/2021
Richard Noort	Branch Councillor	1/7/2020 to 30/6/2021
Meg Pendrick	Branch Councillor	1/7/2020 to 30/6/2021
Michelle Straub	Branch Councillor	1/7/2020 to 30/6/2021
Jill Telfer	Branch Councillor	1/7/2020 to 30/6/2021
Kristy Wilson	Branch Councillor	2/2/2021 to 30/6/2021
Julie Goss	Branch Councillor	1/7/2020 to 28/2/2021
Sylvia Moon	Branch Councillor	1/7/2020 to 27/10/2020
Gil Wilson	Branch Councillor	1/7/2020 to 3/7/2020

Australian Nursing and Midwifery Federation New South Wales Branch

ABN: 85 726 054 782

Operating Report

30 June 2021

Number of members

The number of members of the Branch at the end of the financial year was 73,039 (2020: 68,985).

Number of employees

The total number of full time equivalent employees as at 30 June 2021 was 129 (2020: 128).

Signed in accordance with a resolution of the Committee of Management.



Ms Lorna Scott
Branch Vice President



Mr Brett Holmes
Branch Secretary

Dated: 14 October 2021

Australian Nursing and Midwifery Federation New South Wales Branch

ABN: 85 726 054 782

Committee of Management Statement

For the year ended 30 June 2021

On 14 October 2021 the Committee of Management of the Australian Nursing and Midwifery Federation, New South Wales Branch ("the Branch"), passed the following resolution in relation to the General Purpose Financial Report ("GPFR") of the Branch for the year ended 30 June 2021:

The Committee of Management declares that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009 (RO Act)*;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the Branch for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the Branch will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the general purpose financial report relates and since the end of the financial year:
 - i) meetings of the Committee of Management were held in accordance with the rules of the organisation including the rules of the Branch concerned; and
 - ii) the financial affairs of the Branch have been managed in accordance with the rules of the organisation including the rules of the Branch concerned; and
 - iii) the financial records of the Branch have been kept and maintained in accordance with the RO Act; and
 - iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
 - v) where information has been sought in any request by a member of the reporting unit or Commissioner duly made under section 272 of the RO Act, that information has been provided to the member or the Commissioner; and
 - vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.

This declaration is made in accordance with a resolution of the Committee of Management.



Mr Brett Holmes
Branch Secretary

Dated: 14 October 2021

Australian Nursing and Midwifery Federation New South Wales Branch

ABN: 85 726 054 782

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2021

	Note	2021 \$	2020 \$
Service Fee - NSW Nurses and Midwives' Association (NSWNMA)	3	25,050,091	23,845,455
Other income	3	623,468	374,011
		25,673,559	24,219,466
Employee benefits expense	4	(21,228,361)	(20,543,555)
Capitation fees	4	(1,547,661)	(1,476,412)
Service fees to NSWNMA		(1,407,600)	(1,356,736)
Travel expenses		(158,869)	(264,608)
Motor vehicle expenses		(104,992)	(75,136)
Meetings and conference expenses	4	(78,392)	(28,049)
Campaign expenses		(1,467)	(1,546)
Legal costs	4	(3,764)	(5,252)
Loss on revaluation of financial assets at fair value through profit or loss		-	(210,616)
Other expenses		(157,810)	(107,738)
		(24,688,916)	(24,069,648)
Result for the year		984,643	149,818
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurements of retirement benefit obligations	10(f)	426,610	139
Other comprehensive income for the year		426,610	139
Total comprehensive income for the year		1,411,253	149,957

The accompanying notes form part of these financial statements.

Australian Nursing and Midwifery Federation New South Wales Branch

ABN: 85 726 054 782

Balance Sheet

As at 30 June 2021

	Note	2021 \$	2020 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	5,153,039	2,891,736
Trade and other receivables	6	20,591	86,640
Financial assets	7	2,404,119	3,144,267
Other assets	8	188,108	259,089
TOTAL CURRENT ASSETS		<u>7,765,857</u>	<u>6,381,732</u>
NON-CURRENT ASSETS			
Financial assets	7	4,241,732	3,868,608
TOTAL NON-CURRENT ASSETS		<u>4,241,732</u>	<u>3,868,608</u>
TOTAL ASSETS		<u>12,007,589</u>	<u>10,250,340</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	1,099,277	1,144,323
Employee benefits	10	8,157,501	7,572,278
TOTAL CURRENT LIABILITIES		<u>9,256,778</u>	<u>8,716,601</u>
NON-CURRENT LIABILITIES			
Employee benefits	10	945,872	1,140,053
TOTAL NON-CURRENT LIABILITIES		<u>945,872</u>	<u>1,140,053</u>
TOTAL LIABILITIES		<u>10,202,650</u>	<u>9,856,654</u>
NET ASSETS		<u>1,804,939</u>	<u>393,686</u>
EQUITY			
Retained earnings		<u>1,804,939</u>	<u>393,686</u>
TOTAL EQUITY		<u>1,804,939</u>	<u>393,686</u>

The accompanying notes form part of these financial statements.

Australian Nursing and Midwifery Federation New South Wales Branch

ABN: 85 726 054 782

Statement of Changes in Equity

For the Year Ended 30 June 2021

	Retained Earnings
Note	\$
Balance at 1 July 2020	393,686
Result for the year	984,643
Remeasurement of retirement benefit obligations	10 426,610
Balance at 30 June 2021	<u>1,804,939</u>
Balance at 1 July 2019	243,729
Result for the year	149,818
Remeasurement of retirement benefit obligations	10 139
Balance at 30 June 2020	<u>393,686</u>

The accompanying notes form part of these financial statements.

Australian Nursing and Midwifery Federation New South Wales Branch

ABN: 85 726 054 782

Statement of Cash Flows

For the Year Ended 30 June 2021

	2021	2020
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Service fees and other revenue received	27,738,041	27,666,728
Payments to suppliers and employees	(26,294,686)	(26,423,702)
Distributions received	226,357	116,198
Interest received	53,835	119,242
Net cash provided by/(used in) operating activities	17 <u>1,723,547</u>	<u>1,478,466</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payment for financial assets	(202,392)	(4,116,198)
Proceeds from/(payments for) held-to-maturity investments	740,148	2,955,733
Net cash provided by/(used in) investing activities	<u>537,756</u>	<u>(1,160,465)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net cash provided by/(used in) financing activities	<u>-</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents held	2,261,303	318,001
Cash and cash equivalents at beginning of year	<u>2,891,736</u>	<u>2,573,735</u>
Cash and cash equivalents at end of financial year	5 <u><u>5,153,039</u></u>	<u><u>2,891,736</u></u>

The accompanying notes form part of these financial statements.

Australian Nursing and Midwifery Federation

New South Wales Branch

ABN: 85 726 054 782

Notes to the Financial Statements

For the Year Ended 30 June 2021

1 Summary of Significant Accounting Policies

(a) Basis of preparation

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the *Fair Work (Registered Organisations) Act 2009*. For the purpose of preparing the general purpose financial statements, the Branch is a not-for-profit entity.

The financial statements, except for cash flow information, have been prepared using the accrual basis of accounting. The financial statements have been prepared on a historical cost basis, except for certain assets and liabilities measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

(b) Comparative amounts

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

(c) Revenue and other income

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Branch expects to receive in exchange for those goods or services.

Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Branch have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Australian Nursing and Midwifery Federation New South Wales Branch

ABN: 85 726 054 782

Notes to the Financial Statements

For the Year Ended 30 June 2021

1 Summary of Significant Accounting Policies

(c) Revenue and other income

Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Branch are:

Membership subscriptions

For membership subscription arrangements that meet the criteria to be contracts with customers, revenue is recognised when the promised goods or services transfer to the customer as a member of the Branch.

The Branch recognises revenue as the membership service is provided, which is typically based on the passage of time over the subscription period. This reflects the Branch's ongoing delivery of services in the form of campaigns and industrial services to support members collectively and also the promise to stand ready to provide individual assistance and support to the member as required.

For member subscriptions paid annually in advance, the Branch has elected to apply the practical expedient to not adjust the transaction price for the effects of a significant financing component because the period from when the customer pays and the good or services will transfer to the customer will be one year or less.

When a member subsequently purchases additional goods or services from the Branch at their standalone selling price, the Branch accounts for those sales as a separate contract with a customer.

Membership fees are received by the New South Wales Nurses and Midwives' Association, which entitles members to hold dual membership with that entity and also the Branch, subject to an overall service agreement with them. Under this agreement, specific membership fees are not separately quantifiable and hence not able to be disclosed.

Service fees

Revenue from the provision of service fees from the New South Wales Nurses and Midwives' Association is recognised on an accrual basis and is recorded as revenue in the year to which it relates.

Government COVID-19 stimulus income

Income is recognised in the period it is earned. This is generally consistent with when payment is received.

Interest revenue

Interest is recognised using the effective interest rate method.

Australian Nursing and Midwifery Federation New South Wales Branch

ABN: 85 726 054 782

Notes to the Financial Statements

For the Year Ended 30 June 2021

1 Summary of Significant Accounting Policies

(d) Capitation fees and levies

Capitation fees and levies are recognised on an accruals basis and recorded as a revenue and/or expense in the year to which it relates.

(e) Income Tax

The Branch is exempt from income tax under section 50.1 of the *Income Tax Assessment Act 1997* however still has an obligation for *Fringe Benefits Tax (FBT)* and the *Goods and Services Tax (GST)*.

(f) Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of Goods and Services Tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the balance sheet.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(g) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Australian Nursing and Midwifery Federation New South Wales Branch

ABN: 85 726 054 782

Notes to the Financial Statements

For the Year Ended 30 June 2021

1 Summary of Significant Accounting Policies

(h) Leases

At inception of a contract, the Branch assesses whether a lease exists - i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

This involves an assessment of whether:

- The contract involves the use of an identified asset - this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right then there is no identified asset.
- The Branch has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- The Branch has the right to direct the use of the asset i.e. decision making rights in relation to changing how and for what purpose the asset is used.

Lessee accounting

The non-lease components included in the lease agreement have been separated and are recognised as an expense as incurred.

(i) Right-of-use asset

At the lease commencement, the Branch recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Branch believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

Australian Nursing and Midwifery Federation New South Wales Branch

ABN: 85 726 054 782

Notes to the Financial Statements

For the Year Ended 30 June 2021

1 Summary of Significant Accounting Policies

(h) Leases

(ii) Lease liability

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Branch's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Branch's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

(i) Financial instruments

Financial instruments are recognised initially on the date that the Branch becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Branch classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition unless the Branch changes its business model for managing financial assets.

Australian Nursing and Midwifery Federation New South Wales Branch

ABN: 85 726 054 782

Notes to the Financial Statements

For the Year Ended 30 June 2021

1 Summary of Significant Accounting Policies

(i) Financial instruments

Financial assets

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Branch's financial assets measured at amortised cost comprise trade and other receivables, term deposits and cash and cash equivalents in the balance sheet.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Financial assets through profit or loss

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at FVTPL.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for financial assets measured at amortised cost.

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Branch considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Branch's historical experience and informed credit assessment and including forward looking information.

The Branch uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

Australian Nursing and Midwifery Federation

New South Wales Branch

ABN: 85 726 054 782

Notes to the Financial Statements

For the Year Ended 30 June 2021

1 Summary of Significant Accounting Policies

(i) Financial instruments

Financial assets

The Branch uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Branch in full, without recourse to the Branch to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Branch in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Branch has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Branch renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Financial liabilities

The Branch measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Branch comprise trade and other payables.

Australian Nursing and Midwifery Federation

New South Wales Branch

ABN: 85 726 054 782

Notes to the Financial Statements

For the Year Ended 30 June 2021

1 Summary of Significant Accounting Policies

(j) Impairment of non-financial assets

At the end of each reporting period the Branch determines whether there is evidence of an impairment indicator for non-financial assets.

Where this indicator exists the recoverable amount of the asset is estimated. This is also estimated for intangible assets with an indefinite life and intangible assets not yet available for use, regardless of whether there is an indicator of impairment.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

(k) Employee benefits

Provision is made for the Branch's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period 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 satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

Australian Nursing and Midwifery Federation New South Wales Branch

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Notes to the Financial Statements

For the Year Ended 30 June 2021

1 Summary of Significant Accounting Policies

(k) Employee benefits

Defined benefit superannuation schemes

Nature of the benefits provided by the fund

The Pooled Fund holds in trust the investments of the closed NSW public sector superannuation schemes:

- State Authorities Superannuation Scheme (SASS)
- State Superannuation Scheme (SSS)
- Police Superannuation Scheme (PSS)
- State Authorities Non-contributory Superannuation Scheme (SANCS)

These schemes are all defined benefit schemes - at least a component of the final benefit is derived from a multiple of member salary and years of membership. Members receive a lump sum or pension benefits on retirement, death, disablement and withdrawal.

All the schemes are closed to new members.

Description of the regulatory framework

The schemes in the Pooled Fund are established and governed by the following NSW legislation: *Superannuation Act 1916, State Authorities Superannuation Act 1987, Police Regulation (Superannuation) Act 1906, State Authorities Non-Contributory Superannuation Act 1987*, and their associated regulations.

The schemes in the Pooled Fund are exempt public sector superannuation schemes under the Commonwealth *Superannuation Industry (Supervision) Act 1993 (SIS)*. The SIS Legislation treats exempt public sector superannuation funds as complying funds for concessional taxation and superannuation guarantee purposes.

Under a Heads of Government agreement, the New South Wales Government undertakes to ensure that the Pooled Fund will conform with the principles of the Commonwealth's retirement incomes policy relating to preservation, vesting and reporting to members and that members' benefits are adequately protected.

The New South Wales Government prudentially monitors and audits the Pooled Fund and the Trustee Board activities in a manner consistent with the prudential controls of the SIS legislation. These provisions are in addition to other legislative obligations on the Trustee Board and internal processes that monitor the Trustee Board's adherence to the principles of the Commonwealth's retirement incomes policy.

An actuarial investigation of the Pooled Fund is performed every three years. The last actuarial investigation was performed as at 30 June 2018. The next actuarial investigation will be performed as at 30 June 2021.

Australian Nursing and Midwifery Federation New South Wales Branch

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Notes to the Financial Statements

For the Year Ended 30 June 2021

1 Summary of Significant Accounting Policies

(k) Employee benefits

Defined benefit superannuation schemes

Description of other entities' responsibilities for the governance of the fund

The Fund's Trustee is responsible for the governance of the Fund. The Trustee has a legal obligation to act solely in the best interests of fund beneficiaries. The Trustee has the following roles:

- Administration of the fund and payment to the beneficiaries from fund assets when required in accordance with the fund rules;
- Management and investment of the fund assets; and
- Compliance with other applicable regulations.

Defined contribution schemes

Obligations for contributions to defined contribution superannuation plans are recognised as an employee benefit expense in profit or loss in the periods in which services are provided by employees.

(l) Going concern

The Branch is reliant on the agreed financial support of New South Wales Nurses and Midwives' Association to continue on a going concern basis. A formal undertaking has been made that the New South Wales Nurses and Midwives' Association will provide sufficient funds to ensure that the Branch can meet its obligations to the New South Wales Nurses and Midwives' Association under the relevant service agreement. This is an interest free agreement with no set termination date. No amounts of financial support were received during the year (2020: \$nil).

(m) Adoption of new and revised accounting standards

The Branch has adopted all standards which became effective for the first time during the year 30 June 2021, none of the new standards had a material impact on the reported financial position of performance.

(n) New accounting standards for application in future periods

Certain new accounting standards have been published that are not mandatory for 30 June 2021 reporting periods and have not been early adopted by the Branch. These standards are not expected to have a material impact on the Branch in the current or future reporting periods and on foreseeable future transactions.

Australian Nursing and Midwifery Federation New South Wales Branch

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Notes to the Financial Statements

For the Year Ended 30 June 2021

2 Critical Accounting Estimates and Judgments

The Committee of Management make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below:

Key estimates - employee entitlements

As described in the accounting policies, provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made taking into account a range of possible outcomes and will vary as further information is obtained.

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

Australian Nursing and Midwifery Federation New South Wales Branch

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Notes to the Financial Statements

For the Year Ended 30 June 2021

3 Revenue and Other Income

	2021	2020
	\$	\$
Revenue from contracts with customers		
Service Fee - NSW Nurses and Midwives' Association (NSWNMA)	25,050,091	23,845,455
Other income		
Dividend and distribution income	226,357	116,198
Gain on revaluation of assets held at FVTPL	221,897	-
Interest income	53,836	119,242
Government subsidies	50,000	50,000
Other income	71,378	88,571
	623,468	374,011

Disaggregation of revenue from contracts with customers

Revenue from contracts with customers has been disaggregated, the following table shows this breakdown:

Timing of revenue recognition

- Over time	25,050,091	23,845,455
- At a point in time	-	-
Revenue from contracts with customers	25,050,091	23,845,455

Australian Nursing and Midwifery Federation New South Wales Branch

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Notes to the Financial Statements

For the Year Ended 30 June 2021

4 Expenses

	2021	2020
	\$	\$
Employee expenses*		
Employees other than office holders		
Wages and salaries	16,928,283	16,692,643
Superannuation	1,818,850	1,753,746
Leave and other entitlements	1,250,735	861,848
Other employee expenses (FBT expense, payroll tax expense, workers compensation expense)	1,230,493	1,235,318
	21,228,361	20,543,555
Capitation fees - Australian Nursing and Midwifery Federation, Federal Office	1,547,661	1,476,412
Conference and meeting expenses	78,392	28,049
Legal costs - other matters	3,764	5,252

* There are no office holders directly remunerated by the Branch. This function is outsourced to the New South Wales Nurses and Midwives' Association, and incorporated into the overall service agreement with them. Under this agreement, specific remuneration amounts are not able to be reliably measured and hence not separately quantifiable for disclosure.

The Branch uses the premises of the New South Wales Nurses and Midwives' Association, which is also incorporated into the overall service agreement with them. Under this agreement, specific amounts are not able to be reliably measured and hence not separately quantifiable for disclosure.

Australian Nursing and Midwifery Federation New South Wales Branch

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Notes to the Financial Statements

For the Year Ended 30 June 2021

5 Cash and Cash Equivalents

	2021	2020
	\$	\$
Cash at bank and in hand	<u>5,153,039</u>	<u>2,891,736</u>

6 Trade and Other Receivables

Trade receivables	16,225	68,290
Other receivables	<u>4,366</u>	<u>18,350</u>
	<u>20,591</u>	<u>86,640</u>

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

(a) Impairment of receivables

The Branch applies the simplified approach to providing for expected credit losses prescribed by AASB 9, which permits the use of the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. There is no loss allowance provision required as at 30 June 2021 (2020: \$nil).

(b) Receivables from related parties

New South Wales Nurses and Midwives' Association	-	49,894
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7 Other financial assets

CURRENT

Financial assets at amortised cost - term deposits	<u>2,404,119</u>	<u>3,144,267</u>
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NON-CURRENT

Financial assets at FVTPL - managed funds	<u>4,241,732</u>	<u>3,868,608</u>
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Australian Nursing and Midwifery Federation New South Wales Branch

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Notes to the Financial Statements

For the Year Ended 30 June 2021

8 Other Assets

	2021	2020
	\$	\$
Prepayments	<u>188,108</u>	<u>259,089</u>

9 Trade and Other Payables

Trade creditors	116,302	99,669
GST and other payables	<u>982,975</u>	<u>1,044,654</u>
	<u>1,099,277</u>	<u>1,144,323</u>

All amounts are short term and the carrying values are considered to be a reasonable approximation of fair value.

(a) Payables to other reporting units

Australian Nursing and Midwifery Federation, Federal Office	31,178	3,618
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Australian Nursing and Midwifery Federation New South Wales Branch

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Notes to the Financial Statements

For the Year Ended 30 June 2021

10 Employee Benefits

	2021	2020
	\$	\$
CURRENT		
Long service leave	3,816,443	3,775,456
Provision for employee benefits	4,315,978	3,753,483
Net defined benefit obligations	25,080	43,339
	<u>8,157,501</u>	<u>7,572,278</u>
NON-CURRENT		
Long service leave	311,080	137,838
Net defined benefit obligations	634,792	1,002,215
	<u>945,872</u>	<u>1,140,053</u>
Employee provisions		
Employees other than office holders:		
Annual leave	3,557,038	3,173,808
Long service leave	4,127,522	3,913,294
Other	758,941	579,675
Total employee provisions	<u>8,443,501</u>	<u>7,666,777</u>

* There are no office holders directly remunerated by the Branch. This function is outsourced to the New South Wales Nurses and Midwives' Association, and incorporated into the overall service agreement with them. Under this agreement, specific remuneration amounts are not able to be reliably measured and hence not separately quantifiable for disclosure.

Australian Nursing and Midwifery Federation New South Wales Branch

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Notes to the Financial Statements

For the Year Ended 30 June 2021

10 Employee Benefits

Defined Benefit Plans

The Branch has no legal obligation to settle the defined benefit liability with an immediate contribution or additional one off contribution.

The following sets out details in respect of the defined benefit superannuation plans in which the Branch participates.

Description of risks

There are a number of risks to which the Fund exposes the Employer. The more significant risks relating to the defined benefits are:

Investment risk - The risk that investment returns will be lower than assumed and the Employer will need to increase contributions to offset this shortfall.

Longevity risk - The risk that pensioners live longer than assumed, increasing future pensions.

Pension indexation risk - The risk that pensions will increase at a rate greater than assumed, increasing future pensions.

Salary growth risk - The risk that wages or salaries (on which future benefit amounts for active members will be based) will rise more rapidly than assumed, increasing defined benefit amounts and thereby requiring additional employer contributions.

Legislative risk - The risk is that legislative changes could be made which increase the cost of providing the defined benefits.

The defined benefit fund assets are invested with independent fund managers and have a diversified asset mix. The Fund has no significant concentration of investment risk or liquidity risk.

Australian Nursing and Midwifery Federation New South Wales Branch

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Notes to the Financial Statements

For the Year Ended 30 June 2021

10 Employee Benefits

(a) Defined Benefit Plans - Reconciliations

	Defined benefit liability / asset	Fair value of fund assets	Present value of the defined benefit obligation
2021	\$	\$	\$
Opening balance	1,045,554	2,902,152	3,947,705
Current service cost	55,819	-	55,819
Net interest income	21,574	56,773	-
Interest cost	-	-	78,348
Actual return on fund assets less interest income	(266,774)	266,774	-
Remeasurements of the net defined benefit liability / asset:			
Actuarial gains and losses arising from changes in demographic assumptions	50,954	-	50,954
Actuarial gains and loss arising from changes in financial assumptions	(32,659)	-	(32,659)
Actuarial gains and losses arising from liability experience	(178,133)	-	(178,133)
Contributions to the plan:			
By employer	(36,463)	36,463	-
By plan participants	-	38,911	38,911
Payments from the plan excluding settlements	-	(1,039,023)	(1,039,023)
Taxes, premiums and expenses paid	-	(3,405)	(3,405)
Closing balance	659,872	2,258,645	2,918,517

Australian Nursing and Midwifery Federation New South Wales Branch

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Notes to the Financial Statements

For the Year Ended 30 June 2021

10 Employee Benefits

(a) Defined Benefit Plans - Reconciliations

	Defined benefit liability / asset	Plan assets	Present value of the defined benefit obligation
2020	\$	\$	\$
Opening balance	972,368	4,877,843	5,850,209
Current service cost	133,433	-	133,433
Net interest income	21,150	103,964	125,115
Actuarial return on fund assets less interest income	10,863	(10,863)	-
Remeasurements of the net defined benefit liability / asset:			
Actuarial gains and loss arising from changes in financial assumptions	71,819	-	71,819
Actuarial gains and losses arising from liability experience	(82,821)	-	(82,821)
Contributions to the plan:			
By employer	(81,258)	81,258	-
By plan participants	-	66,728	66,728
Payments from the plan excluding settlements	-	(2,193,926)	(2,193,926)
Taxes, premiums and expenses paid	-	(22,852)	(22,852)
Closing balance	1,045,554	2,902,152	3,947,705

(b) Defined Benefit Plans - Asset ceiling

There has been no adjustment for the effect of the asset ceiling at the beginning, end or during the year.

(c) Defined Benefit Plans - Actuarial assumptions

	2021	2020
Discount rate	2.66	2.10%
Inflation	1.50 - 3.00	1.00 - 2.50%
Future salary increases	2.74 - 3.20%	3.20%

Sensitivity analysis to show how the defined benefit obligation would have changed based on a reasonably possible movement in each significant actuarial assumption at the reporting date has been provided below.

Australian Nursing and Midwifery Federation New South Wales Branch

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Notes to the Financial Statements

For the Year Ended 30 June 2021

10 Employee Benefits

(c) Defined Benefit Plans - Actuarial assumptions

30 June 2021 Actuarial assumption	Reasonably possible movement	Increase in assumption	Decrease in assumption
Discount rate	0.5%	105,346	(115,946)
Inflation	0.5%	(68,466)	62,279
Future salary increases	0.5%	(39,220)	38,250
30 June 2020			
Actuarial assumption			
Discount rate	0.5%	(124,882)	135,906
Inflation	0.5%	61,701	(56,269)
Future salary increases	0.5%	64,906	(63,027)

(d) Defined Benefit Plans - Plan assets

The fair value of plan assets comprises the following classes of assets:

Class of asset	2021			% of total
	Quoted \$'000	Unquoted \$'000	Total \$'000	
Short Term Securities	2,398,668	2,709,702	5,108,370	12.23
Australian Fixed Interest	-	903,816	903,816	2.16
International Fixed Interest	45,227	1,709,799	1,755,026	4.20
Australian Equities	8,308,316	2,341	8,310,657	19.89
International Equities	13,884,532	5,148	13,889,680	33.24
Property	626,960	2,660,769	3,287,729	7.87
Alternatives	759	8,528,951	8,529,710	20.41
	25,264,462	16,520,526	41,784,988	

Australian Nursing and Midwifery Federation New South Wales Branch

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Notes to the Financial Statements

For the Year Ended 30 June 2021

10 Employee Benefits

(d) Defined Benefit Plans - Plan assets

Class of asset	2020			
	Quoted \$'000	Unquoted \$'000	Total \$'000	% of total
Short Term Securities	1,889,511	2,206,787	4,096,298	10.19
Australian Fixed Interest	-	1,066,448	1,066,448	2.65
International Fixed Interest	30,408	1,879,015	1,909,423	4.75
Australian Equities	6,901,927	392,284	7,294,211	18.15
International Equities	11,487,308	463,022	11,950,330	29.73
Property	644,805	2,707,661	3,352,466	8.34
Alternatives	23,408	10,499,425	10,522,833	26.18
	<u>20,977,367</u>	<u>19,214,642</u>	<u>40,192,009</u>	

(e) Defined Benefit Plans - Asset-liability matching strategy

The Trustee monitors its asset-liability risk continuously in setting its investment strategy. It also monitors cashflows to manage liquidity requirements. No explicit asset-liability matching strategy is used by the Trustee.

(f) Defined Benefit Plans - Profit and loss and other comprehensive income impact

	2021 \$	2020 \$
The amounts recognised in the profit or loss are as follows:		
Current service cost	(55,819)	(133,433)
Net interest	(21,574)	(21,150)
	<u>(77,393)</u>	<u>(154,583)</u>
Amounts recognised in other comprehensive income are as follows:		
Remeasurements of retirement benefit obligations	426,610	139

Australian Nursing and Midwifery Federation New South Wales Branch

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Notes to the Financial Statements

For the Year Ended 30 June 2021

10 Employee Benefits

(g) Defined Benefit Plans - Funding Arrangements

Funding arrangements are reviewed at least every three years following the release of the triennial actuarial review. Contribution rates are set after discussions between the employer, STC and NSW Treasury.

Funding positions are reviewed annually and funding arrangements may be adjusted as required after each annual review.

The expected contributions for the year ending 30 June 2022 are \$25,080.

(h) Defined Benefit Plans - Maturity Profile

The weighted average duration of the defined benefit obligation is 10.2 years.

(i) Defined Benefit Plans - Description of significant events

There were no fund amendments, curtailments or settlements during the year.

11 Financial Risk Management

The main risks Australian Nursing and Midwifery Federation New South Wales Branch is exposed to through its financial instruments is credit risk.

The Branch's financial instruments consist mainly of deposits with banks, accounts receivable and payable, financial assets at amortised cost and at FVTPL.

Australian Nursing and Midwifery Federation New South Wales Branch

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Notes to the Financial Statements

For the Year Ended 30 June 2021

11 Financial Risk Management

The totals for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2021 \$	2020 \$
Financial Assets			
Cash and cash equivalents	5	5,153,039	2,891,736
Trade and other receivables	6	20,591	86,640
Financial assets at amortised cost	7	2,404,119	3,144,267
Financial assets at FVTPL - managed funds	7	4,241,732	3,868,608
		<u>11,819,481</u>	<u>9,991,251</u>
Financial Liabilities			
Financial liabilities at amortised cost			
Trade and other payables	9	1,099,277	1,144,323
		<u>1,099,277</u>	<u>1,144,323</u>

Liquidity risk

Liquidity risk arises from the Branch's management of working capital. It is the risk that the Branch will encounter difficulty in meeting its financial obligations as they fall due.

The Branch's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities as and when they fall due.

The Branch manages its liquidity needs by carefully monitoring cash-outflows due in day-to-day business.

At the reporting date, these reports indicate that the Branch expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances.

The Branch's liabilities have contractual maturities which are summarised below:

	Less than 1 year		Total	
	2021 \$	2020 \$	2021 \$	2020 \$
Trade and other payables	1,099,277	1,144,323	1,099,277	1,144,323
	<u>1,099,277</u>	<u>1,144,323</u>	<u>1,099,277</u>	<u>1,144,323</u>

Australian Nursing and Midwifery Federation

New South Wales Branch

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Notes to the Financial Statements

For the Year Ended 30 June 2021

11 Financial Risk Management

Credit risk

The Branch has no significant concentration of credit risk with respect to any single counterparty or group of counterparties. The class of assets described as 'trade and other receivables' is considered to be the main source of credit risk related to the Branch.

The following table details the Branch's trade and other receivables exposure to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled, within the terms and conditions agreed between the Branch and the customer or counter party to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there is objective evidence indicating that the debt may not be fully repaid to the Branch.

The balances of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

	Gross amount	Past due and impaired	Past due but not impaired (days overdue)				Within initial trade terms
			< 30	31-60	61-90	> 90	
	\$	\$	\$	\$	\$	\$	\$
2021							
Trade and term receivables	16,225	-	-	-	-	-	16,225
Other receivables	4,366	-	-	-	-	-	4,366
	20,591	-	-	-	-	-	20,591
2020							
Trade and term receivables	68,290	-	-	-	-	-	68,290
Other receivables	18,350	-	-	-	-	-	18,350
	86,640	-	-	-	-	-	86,640

The Branch does not hold any financial assets with terms that have been renegotiated, but which would otherwise be past due or impaired.

The other classes of receivables do not contain impaired assets.

Australian Nursing and Midwifery Federation New South Wales Branch

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Notes to the Financial Statements

For the Year Ended 30 June 2021

11 Financial Risk Management

Market risk

(i) Equity price risk

The Branch is exposed to equity securities price risk. This arises from listed investments held by the Branch and classified as fair value through profit or loss on the balance sheet.

The Branch is not exposed to commodity price risk.

At reporting date, if the Australian Securities Exchange index had increased / decreased by 5.00% with all other variables held constant and all of the Branch's equity instruments moved according to the historical correlation with the index, the impact on profit and equity is shown in the table below:

	2021		2020	
	+5%	-5%	+5%	-5%
ASX Index				
Impact on result	212,087	(212,087)	193,430	(193,430)

Net income from financial assets

	2021	2020
	\$	\$
Financial assets at amortised cost - interest revenue	53,836	119,241
Financial assets at FVTPL - dividends and distributions	226,357	116,198
Financial assets at FVTPL - revaluation gain/(loss)	221,897	(210,616)
Financial assets at FVTPL - administration fees	(23,965)	(10,866)
	478,125	13,957

Fair value estimation

The fair values of financial assets and financial liabilities are consistent with their carrying values as presented in the balance sheet. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Australian Nursing and Midwifery Federation New South Wales Branch

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Notes to the Financial Statements

For the Year Ended 30 June 2021

12 Key Management Personnel Disclosures

The totals of remuneration paid to the key management personnel of Australian Nursing and Midwifery Federation New South Wales Branch during the year are as follows:

	2021	2020
	\$	\$
Short-term employee benefits	-	-
Post-employment benefits	-	-
Other long-term benefits	-	-
Termination benefits	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

There are no office holders directly remunerated by the Branch. This function is outsourced to the New South Wales Nurses and Midwives' Association, and incorporated into the overall service agreement with them. Under this agreement, specific remuneration amounts are not separately quantifiable and hence are not able to be disclosed.

13 Auditor's Remuneration

Remuneration of the auditor of the Branch, Daley		
Audit, for auditing the financial statements	22,450	21,900
Fringe Benefits Tax services	2,040	2,040
	<u>24,490</u>	<u>23,940</u>

14 Fair Value Measurement

Fair value hierarchy

AASB 13 *Fair Value Measurement* requires all assets and liabilities measured at fair value to be assigned to a level in the fair value hierarchy as follows:

Level 1	Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.
Level 2	Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3	Unobservable inputs for the asset or liability.

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Notes to the Financial Statements

For the Year Ended 30 June 2021

14 Fair Value Measurement

Fair value hierarchy

The table below shows the assigned level for each asset and liability held at fair value by the Branch:

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
30 June 2021				
Recurring fair value measurements				
Financial assets				
Managed funds	4,241,732	-	-	4,241,732
30 June 2020				
Recurring fair value measurements				
Financial assets				
Managed funds	3,868,608	-	-	3,868,608

15 Contingencies

In the opinion of the Branch Councillors, the Branch did not have any contingencies at 30 June 2021 (30 June 2020: None).

Australian Nursing and Midwifery Federation New South Wales Branch

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Notes to the Financial Statements

For the Year Ended 30 June 2021

16 Related Parties

(a) The Branch's main related parties are as follows:

(i) Key Management Personnel (KMP):

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any committee of management member (whether executive or otherwise) of that entity are considered KMP.

For details of remuneration disclosures relating to key management personnel, refer to Note 12: Key Management Personnel Disclosures.

Other transactions with KMP and their related entities are shown below.

(ii) New South Wales Nurses and Midwives' Association:

The Branch is associated with the New South Wales Nurses and Midwives' Association, with all members of the Branch also being members of the Association. Related party transactions are shown on the Statement of Profit or Loss and Other Comprehensive Income and note 6(b).

(b) Transactions with other reporting units

Other than those transactions previously disclosed, the following transactions occurred with other reporting units:

	2021	2020
	\$	\$
CALMA Database subscription fees from Federal Office of Australian Nursing and Midwifery Federation	(3,289)	-
Journal subscription fees from Federal Office of Australian Nursing and Midwifery Federation	(3,457)	(22,690)
CINAHL Database subscription fees from Federal Office of Australian Nursing and Midwifery Federation	-	(14,918)
Biennial National Conference contributions to Federal Office of Australian Nursing and Midwifery Federation	-	(12,831)
Meeting expenses invoiced to Australian Nursing and Midwifery Federation	-	660

Australian Nursing and Midwifery Federation New South Wales Branch

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Notes to the Financial Statements

For the Year Ended 30 June 2021

17 Cash Flow Information

(a) Reconciliation of result for the year to cashflows from operating activities

	2021	2020
	\$	\$
Result for the year	984,643	149,818
Non-cash flows in the operating profit (loss):		
- revaluation of financial assets	(221,897)	210,616
- defined benefit fund expenses	77,393	154,583
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	66,049	686,821
- (increase)/decrease in prepayments	70,984	(205,926)
- increase/(decrease) in trade and other payables	6,119	(298,036)
- increase/(decrease) in employee provisions	740,256	780,590
Net cash inflow from operating activities	<u>1,723,547</u>	<u>1,478,466</u>

(b) Cash flow information

Net cash flows (to)/from Reporting Units:

Australian Nursing and Midwifery Federation, Federal Office	(1,709,848)	(1,678,811)
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18 Financial affairs administered by another entity

The financial affairs of the Branch are administered by the New South Wales Nurses and Midwives' Association. These services are remunerated through the Service Fees from the Association. The specific fees for the administering of financial affairs cannot be quantified.

Australian Nursing and Midwifery Federation

New South Wales Branch

ABN: 85 726 054 782

Notes to the Financial Statements

For the Year Ended 30 June 2021

19 Events occurring after the reporting date

As a result of the evolving nature of the COVID-19 outbreak and the rapidly evolving government policies of restrictive measures put in place to contain it, as at the date of these financial statements, the Branch is not in a position to reasonably estimate the financial effects of the COVID-19 outbreak on the future financial performance and financial position of the Branch. Other than the current disclosures, there has not been any other matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the Branch, the results of those operations, or the state of affairs of the Branch in subsequent financial periods.

20 Section 272 Fair Work (Registered Organisations) Act 2009

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

Information to be provided to members or Commissioner:

- (1) A member of a reporting unit, or the Commissioner, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- (3) A reporting unit must comply with an application made under subsection (1).

Australian Nursing and Midwifery Federation New South Wales Branch

ABN: 85 726 054 782

Subsection 255(2A) report

For the Year Ended 30 June 2021

The Committee of Management presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the year ended 30 June 2021.

Categories of expenditures	2021 \$	2020 \$
Remuneration and other employment related costs and expenses - employees	21,228,361	20,543,555
Advertising	1,467	1,546
Operating costs	3,455,325	3,308,680
Donations to political parties	-	-
Legal costs	3,764	5,252



Mr Brett Holmes
Branch Secretary

Dated: 14 October 2021

Australian Nursing and Midwifery Federation

New South Wales Branch

ABN: 85 726 054 782

Officer Declaration Statement

For the Year Ended 30 June 2021

I, Brett Holmes, being the Branch Secretary of the Australian Nursing and Midwifery Federation New South Wales Branch, declare that the following activities did not occur during the reporting period ending 30 June 2021 (including the comparative).

The reporting unit did not:

- agree to receive financial support from another reporting unit to continue as a going concern (refers to agreement regarding financial support not dollar amount)
- agree to provide financial support to another reporting unit to ensure they continue as a going concern (refers to agreement regarding financial support not dollar amount)
- acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission
- receive periodic or membership subscriptions
- receive capitation fees from another reporting unit
- ~~• receive any other revenue amount from another reporting unit~~
- receive revenue via compulsory levies
- receive donations or grants
- receive revenue from undertaking recovery of wages activity
- incur fees as consideration for employers making payroll deductions of membership subscriptions
- ~~• pay capitation fees to another reporting unit~~
- ~~• pay any other expense to another reporting unit~~
- pay affiliation fees to other entity
- pay compulsory levies
- pay a grant that was \$1,000 or less
- pay a grant that exceeded \$1,000
- pay a donation that was \$1,000 or less
- pay a donation that exceeded \$1,000
- pay wages and salaries to holders of office
- pay superannuation to holders of office
- pay leave and other entitlements to holders of office
- pay separation and redundancy to holders of office
- pay other employee expenses to holders of office
- ~~• pay wages and salaries to employees (other than holders of office)~~
- ~~• pay superannuation to employees (other than holders of office)~~
- ~~• pay leave and other entitlements to employees (other than holders of office)~~
- pay separation and redundancy to employees (other than holders of office)
- ~~• pay other employee expenses to employees (other than holders of office)~~
- pay to a person fees or allowances to attend conferences or meetings as a representative of the reporting unit
- ~~• incur expenses due to holding a meeting as required under the rules of the organisation~~
- pay legal costs relating to litigation
- ~~• pay legal costs relating to other legal matters~~
- pay a penalty imposed under the RO Act or the Fair Work Act 2009
- have a receivable with other reporting unit(s)
- ~~• have a payable with other reporting unit(s)~~
- have a payable to an employer for that employer making payroll deductions of membership subscriptions
- have a payable in respect of legal costs relating to litigation
- have a payable in respect of legal costs relating to other legal matters
- have an annual leave provision in respect of holders of office
- have a long service leave provision in respect of holders of office
- have a separation and redundancy provision in respect of holders of office
- have other employee provisions in respect of holders of office

Australian Nursing and Midwifery Federation New South Wales Branch

ABN: 85 726 054 782

Officer Declaration Statement

For the Year Ended 30 June 2021

- ~~• have an annual leave provision in respect of employees (other than holders of office)~~
- ~~• have a long service leave provision in respect of employees (other than holders of office)~~
- have a separation and redundancy provision in respect of employees (other than holders of office)
- ~~• have other employee provisions in respect of employees (other than holders of office)~~
- have a fund or account for compulsory levies, voluntary contributions or required by the rules of the organisation or branch
- transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity
- ~~• have a balance within the general fund~~
- ~~• provide cash flows to another reporting unit and/or controlled entity~~
- ~~• receive cash flows from another reporting unit and/or controlled entity~~
- ~~• have another entity administer the financial affairs of the reporting unit~~
- make a payment to a former related party of the reporting unit



Mr Brett Holmes
Branch Secretary

Dated: 14 October 2021



Independent Audit Report to the members of Australian Nursing and Midwifery Federation New South Wales Branch

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Australian Nursing and Midwifery Federation New South Wales Branch (the Reporting Unit), which comprises the balance sheet as at 30 June 2021, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended 30 June 2021, and notes to the financial statements, including a summary of significant accounting policies, the Committee of Management Statement, the subsection 255 (2A) report and the officer declaration statement.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of Australian Nursing and Midwifery Federation New South Wales Branch as at 30 June 2021 and its financial performance and its cash flows for the year ended on that date in accordance with:

- (i) the Australian Accounting Standards; and
- (ii) any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act).

We declare that management's use of the going concern basis in the preparation of the financial statements of the Reporting Unit are appropriate.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Reporting Unit in accordance with the ethical requirements of the of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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Independent Audit Report to the members of Australian Nursing and Midwifery Federation New South Wales Branch

Information Other than the Financial Report and Auditors Report Thereon

The Committee of Management is responsible for the other information. The other information obtained at the date of this auditor's report is included in the operating report accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Committee Of Management for the Financial Report

The Committee of Management of the Reporting Unit is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the RO Act, and for such internal control as the Committee of Management determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Committee of Management are responsible for assessing the Reporting Unit's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Committee of Management either intend to liquidate the Reporting Unit or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



Independent Audit Report to the members of Australian Nursing and Midwifery Federation New South Wales Branch

- Obtain an understanding of internal control relevant to the audit 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 Reporting Unit's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee of management.
- Conclude on the appropriateness of the Committee of Management 's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Reporting Unit's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause Reporting Unit to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the committee of management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

I declare that I am an auditor registered under the RO Act.


Daley Audit


Stephen Milgate
Partner

Wollongong

Dated: 14 October 2021

Registration Number (as registered by the RO Commissioner under the RO Act): AA2017/127

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