



18 December 2015

Ms Lee Thomas
Federal Secretary
Australian Nursing and Midwifery Federation, Federal Office
Unit 3, 28 Eyre Street
Kingston ACT 2604

By e-mail: anmfcanberra@anmf.org.au

Dear Ms Lee

**Australian Nursing and Midwifery Federation, Federal Office
Financial Report for the year ended 30 June 2015 - FR2015/95**

I acknowledge receipt of the financial report for the year ended 30 June 2015 for the Australian Nursing and Midwifery Federation, Federal Office (ANMF-FED). The financial report was lodged with the Fair Work Commission (FWC) on 27 November 2015.

The financial report has now been filed. You are not required to take any further action in respect of the report lodged.

Whilst the 2015 report has been filed the following should be addressed in the preparation of the next financial report.

1. Timescale requirements

As you are aware, an organisation is required under the RO Act to undertake certain steps in accordance with specified timelines. Information about these timeline requirements can be found on the FWC website. In particular, I draw your attention to 'Financial reporting process' which explains the timeline requirements, and 'Summary of financial reporting timelines' which sets out the timeline requirements in diagrammatical form.

I note that the following timescale requirements were not met:

Documents must be lodged with the Fair Work Commission within 14 days of Committee of Management Meeting

Section 268 of the RO Act, states that the full report and the Designated Officer's Certificate are required to be lodged with the FWC within 14 days of the committee of management meeting. The Designated Officer's Certificate indicates that this meeting occurred between 29 October 2015 and 5 November 2015. If this is correct the full report should have, at the latest, been lodged with the FWC by 19 November 2015.

The full report was lodged on 27 November 2015.

Please note that in future financial years if the ANMF-FED cannot lodge on time, a written request for an extension of time must be made prior to the required date of lodgement.

2. Auditor's Statement

Declaration relating to management use of the going concern basis of accounting

Item 39 of the Reporting Guidelines requires that the Auditor's Statement include a declaration, that as part of the audit of the financial statements, they have concluded that management's use of the going concern basis of accounting in the preparation of the financial statement is appropriate.

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 8656 4685 or by email at ken.morgan@fwc.gov.au

Yours sincerely

A handwritten signature in black ink, appearing to read 'K. Morgan', written in a cursive style.

Ken Morgan
Financial Reporting Advisor
Regulatory Compliance Branch



AUSTRALIAN NURSING FEDERATION – FEDERAL OFFICE

ABN: 41 816 898 298

DESIGNATED OFFICER'S CERTIFICATE

I, Lee Thomas, being the Federal Secretary of the Australian Nursing and Midwifery Federation Federal Office, certify:

1. the documents lodged herewith are copies of the full report referred to in Section 268 of the Fair Work (Registered Organisations) Act 2009;
2. the full report was provided to members via the ANMF Federal Office website (www.anmf.org.au) on 10th September 2015; and
3. the full report was presented to a meeting (conducted in writing) between 29 October 2015 and 5 November 2015 of the Committee of Management in accordance with section 266 of the Fair Work (Registered Organisations) Act 2009.

A handwritten signature in black ink, appearing to read 'L Thomas', written over a dotted line.

Lee Thomas
Federal Secretary

Dated 27 November 2015

Canberra Office

Unit 3, or PO Box 4239
28 Eyre Street
Kingston ACT 2604
Australia

T +612 6232 6533
F +612 6232 6610
E anmfcanberra@anmf.org.au
W www.anmf.org.au

Melbourne Office

Level 1, 365 Queen Street
Melbourne VIC 3000
Australia

T +613 9602 8500
F +613 9602 8567
E anmfmelbourne@anmf.org.au
W www.anmf.org.au

ANMF Journals

**Australian Nursing and
Midwifery Journal**
E anmj@anmf.org.au

**Australian Journal of
Advanced Nursing**
E ajan@anmf.org.au

ABN 41 816 898 298

SAWARD / DAWSON

chartered accountants

Australian Nursing and Midwifery Federation

ABN: 41 816 898 298

Financial Statements
For the Year Ended
30 June 2015

Australian Nursing and Midwifery Federation and Controlled Entity

ABN: 41 816 898 298

Financial Report

For the Year Ended 30 June 2015

	Page
Financial Statements	
Certificate by Prescribed Designate Officer	1
Operating Report	2
Statement of Profit or Loss and Other Comprehensive Income	5
Statement of Financial Position	6
Statement of Changes in Equity	7
Statement of Cash Flows	8
Notes to the Financial Statements	9
Statement by the Federal Council	41
Independent Audit Report	42

Australian Nursing and Midwifery Federation and Controlled Entity

ABN: 41 816 898 298

Certificate by Prescribed Designated Officer

For the Year Ended 30 June 2015

I, Lee Thomas being the Federal Secretary of the Australian Nursing and Midwifery Federation and Controlled Entity certify:

- that the documents lodged herewith are copies of the full report for the Australian Nursing and Midwifery Federation and Controlled Entity for the year ended 30 June 2015 referred to in s.268 of the Fair Work (Registered Organisations) Act 2009; and
- that the full report was provided to members of the reporting unit on 10/9/2015; and
- that the full report was presented to a meeting of the Federal Council of the reporting unit on 20/8/2015 in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009.

Federal Secretary: Thomas
Lee Thomas

Dated: 9/9/15

Australian Nursing and Midwifery Federation and Controlled Entity

ABN: 41 816 898 298

Operating Report

For the Year Ended 30 June 2015

The Federal Council presents its report, together with the financial statements of the Group, being the Australian Nursing and Midwifery Federation (the Federation) and its controlled entities, for the financial year ended 30 June 2015.

Names of Federal Council members and period positions held during the financial year

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

Sally-Anne Jones	Federal President (Commenced 1 April 2015. Term finishes 31 March 2017)
Maree Burgess	Federal Vice President (Commenced 1 April 2015. Term finishes 31 March 2017)
Coral Levett	Federal President (until 31 March 2015)
Sally-Anne Jones	Federal Vice President (until 31 March 2015)
Lee Thomas	Federal Secretary
Annie Butler	Assistant Federal Secretary
Jenny Miragaya	Secretary, ANMF Australian Capital Territory Branch
Athalene Rosborough	President, ANMF Australian Capital Territory Branch
Brett Holmes	Secretary, ANMF New South Wales Branch
Coral Levett	President, ANMF New South Wales Branch
Yvonne Falckh	Secretary, ANMF Northern Territory Branch
Shirel Nomoa	President, ANMF Northern Territory Branch (on leave from 3 March 2015)
Jan Hercus	Acting President, ANMF Northern Territory Branch (from 3 March 2015)
Beth Mohle	Secretary, ANMF QNU Branch
Sally-Anne Jones	President, ANMF QNU Branch
Elizabeth Dabars	Secretary, ANMF South Australian Branch
Marisa Bell	President, ANMF South Australian Branch
Neroli Ellis	Secretary, ANMF Tasmanian Branch
Emily Shepherd	President, ANMF Tasmanian Branch
Lisa Fitzpatrick	Secretary, ANMF Victorian Branch
Maree Burgess	President, ANMF Victorian Branch
Mark Olson	Secretary, ANMF Western Australian Branch
Patricia Fowler	President, ANMF Western Australian Branch

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

The principal activity of the Federation during the financial year was the industrial, professional and political representation of nurses, midwives and assistants in nursing.

The results of the principal activities are as follows:

- Increase in total members from 239,935 to 248,538 for the year, including honorary members.
- Review of Industrial Regulation, Modern Awards and professional services to Branches and members.
- Continued support and involvement with CoNNO and National Competency Standards for Nurse Practitioners, including policy development and submissions,
- Provision of Continuous Professional Development services for members,
- Coordination and provision of Secretariat services to the National Aged Care Alliance and National Enrolled Nurses Association (an ANMF special interest group consolidated with the Federation); and

Australian Nursing and Midwifery Federation and Controlled Entity

ABN: 41 816 898 298

Operating Report

For the Year Ended 30 June 2015

- Involvement with projects, national submissions and strengthening relationships with other peak nursing and midwifery bodies.

Significant changes in financial affairs

No significant change in the financial affairs occurred 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.

Officers & employees who are superannuation fund trustee(s) or director of a company that is a superannuation fund trustee

Name	Employee	Officer	Entity	Principal activity of the entity	ANMF appointment
Brett Holmes	No	Yes	HESTA Super Fund	Industry Superannuation Fund	ANMF New South Wales Branch Secretary
Lisa Fitzpatrick	No	Yes	First State Super	Industry Superannuation Fund	ANMF Victorian Branch Secretary
Paula (PIP) Carew`	No	Yes	HESTA	Industry Superannuation Fund	ANMF Victorian Branch Assistant Secretary

Australian Nursing and Midwifery Federation and Controlled Entity

ABN: 41 816 898 298

Operating Report

For the Year Ended 30 June 2015

Number of members

The number of members (including Branch members) at the end of the financial year was 248,538 (2014: 239,935).

Number of employees

The total number of full time equivalent employees employed with the Australian Nursing and Midwifery Federation Federal Office at the end of the financial year was 22 (2014: 21)

Signed in accordance with a resolution of the Federal Council:

Federal Secretary: *Thomas*

Lee Thomas

Dated this 9 day of 9 2015

Australian Nursing and Midwifery Federation

ABN: 41 816 898 298

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2015

	Note	2015 \$	2014 \$
Revenue	2	7,450,227	7,691,253
Employee benefits expense	3(a)	(3,111,552)	(2,804,664)
Administration and management fees		(268,276)	(306,261)
Campaign expenses		(17,735)	(26)
Postage expenses		(811,691)	(819,555)
Australian Nursing and Midwifery Journal production expenses		(688,423)	(634,378)
Affiliation fees	3(b)	(681,061)	(570,981)
Consultancy expenses		(142,615)	(186,168)
Staff field work and associated expenses		(181,867)	(203,562)
Legal expenses	3(c)	(11,280)	(71,880)
Depreciation expenses.	3(f)	(148,958)	(150,171)
Doubtful debts expenses/reversal		65,055	(36,279)
Website expenses		(67,584)	(79,188)
Conference expenses		(19,960)	(181,117)
Accounting and audit fees		(45,650)	(39,719)
Occupancy expenses		(138,697)	(125,308)
Finance costs		(26,442)	(59,072)
Meeting expenses		(86,178)	(47,544)
Grants and donations	3(d)	(22,529)	(31,201)
Australian Council of Trade Unions Insurance	3(e)	(321,200)	(364,053)
Project expenses		(38,355)	(35,813)
Continuing Professional Education expenses		(147,375)	(441,299)
National Aged Care Alliance expenses		(135,891)	(164,723)
SPNF expenses		(73,962)	(78,862)
Other expenses		(19,700)	-
		(28,535)	(28,267)
Surplus for the year		279,766	231,162
Other comprehensive income:			
Items that will be reclassified subsequently to profit or loss when specific conditions are met		-	-
Items that will not be reclassified subsequently to profit or loss		-	-
Other comprehensive income for the year		-	-
Total comprehensive income for the year		279,766	231,162

The accompanying notes form part of these financial statements.

Australian Nursing and Midwifery Federation

ABN: 41 816 898 298

Consolidated Statement of Financial Position

As at 30 June 2015

	Note	2015 \$	2014 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	1,225,709	1,962,224
Trade and other receivables	5	622,668	265,231
Other financial assets	6	31,044	52,813
Other assets	7	86,752	59,366
TOTAL CURRENT ASSETS		<u>1,966,173</u>	<u>2,339,634</u>
NON-CURRENT ASSETS			
Property, plant and equipment	8	1,617,109	1,684,504
TOTAL NON-CURRENT ASSETS		<u>1,617,109</u>	<u>1,684,504</u>
TOTAL ASSETS		<u>3,583,282</u>	<u>4,024,138</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	573,320	759,078
Short-term provisions	11	843,851	616,978
Other liabilities	12	171,348	295,419
TOTAL CURRENT LIABILITIES		<u>1,588,519</u>	<u>1,671,475</u>
NON-CURRENT LIABILITIES			
Borrowings	10	200,796	804,487
Long-term provisions	11	45,456	79,431
TOTAL NON-CURRENT LIABILITIES		<u>246,252</u>	<u>883,918</u>
TOTAL LIABILITIES		<u>1,834,771</u>	<u>2,555,393</u>
NET ASSETS		<u>1,748,511</u>	<u>1,468,745</u>
EQUITY			
Retained earnings		<u>1,748,511</u>	<u>1,468,745</u>
TOTAL EQUITY		<u>1,748,511</u>	<u>1,468,745</u>

The accompanying notes form part of these financial statements.

Australian Nursing and Midwifery Federation

ABN: 41 816 898 298

Consolidated Statement of Changes in Equity

For the Year Ended 30 June 2015

2015

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2014	1,468,745	1,468,745
Surplus for the year	279,766	279,766
Balance at 30 June 2015	1,748,511	1,748,511

2014

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2013	1,237,583	1,237,583
Surplus for the year	231,162	231,162
Balance at 30 June 2014	1,468,745	1,468,745

The accompanying notes form part of these financial statements.

Australian Nursing and Midwifery Federation

ABN: 41 816 898 298

Consolidated Statement of Cash Flows

For the Year Ended 30 June 2015

	2015	2014
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from members, Branches and others	7,587,092	8,418,381
Grants received	189,588	354,654
Interest Received	23,404	15,603
Payments to suppliers and employees	(7,856,210)	(7,799,669)
Finance Costs	(26,442)	(59,072)
Net cash provided by (used in) operating activities	13(a) <u>(82,568)</u>	<u>929,897</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Redemption (placement) of term deposits	21,769	(32,813)
Acquisition of property, plant and equipment	(92,025)	(27,801)
Proceeds from sale of property, plant and equipment	20,000	-
Net cash used by investing activities	<u>(50,256)</u>	<u>(60,614)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of borrowings	(603,691)	(401,136)
Net cash used by financing activities	<u>(603,691)</u>	<u>(401,136)</u>
Net increase (decrease) in cash and cash equivalents held	(736,515)	468,147
Cash and cash equivalents at beginning of year	<u>1,962,224</u>	<u>1,494,077</u>
Cash and cash equivalents at end of financial year	4 <u><u>1,225,709</u></u>	<u><u>1,962,224</u></u>

The accompanying notes form part of these financial statements.

Australian Nursing and Midwifery Federation

ABN: 41 816 898 298

Notes to the Financial Statements

For the Year Ended 30 June 2015

The financial report include the consolidated financial statements and notes of Australian Nursing and Midwifery Federation (the Group), incorporated and domiciled in Australia.

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 Organisation) Act 2009. For the purpose of preparing the general purpose financial statements, the Australian Nursing and Midwifery Federation and Controlled Entity is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost, except for certain assets and liabilities at 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. The financial statements are presented in Australian dollars.

The financial statements were authorised for issue on the same date the statement by the Federal Council was signed.

(b) Comparative figures

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

(c) Principles of Consolidation

The Group financial statements consolidate those of the parent entity and its controlled entity as of 30 June 2015. The Parent controls an entity if it is exposed, or has rights, to variable returns from its involvement with the controlled entity and has the ability to affect those returns through its power over the controlled entity. The controlled entity has a reporting date of 30 June.

All transactions and balances between Group entities are eliminated on consolidation, including unrealised gains and losses on transactions between Group entities. Amounts reported in the financial statements of controlled entity has been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Australian Nursing and Midwifery Federation (the Federal office) is the parent entity, which exercises control over the National Enrolled Nurse Association (NENA). All intra-group transactions, balances, income and expenses are eliminated in full on consideration.

Further disclosure is contained in Note 17 to the financial statements.

(d) Property, plant and equipment

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses.

Property

Freehold land and buildings are measured at cost less depreciation and impairment losses.

Australian Nursing and Midwifery Federation

ABN: 41 816 898 298

Notes to the Financial Statements

For the Year Ended 30 June 2015

1 Summary of Significant Accounting Policies continued

(d) Property, plant and equipment continued

Plant and equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses.

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

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the Group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. Land is not depreciated.

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

Class of Fixed Asset	Depreciation Rate
Buildings	2%
Plant and Equipment	15%-33%
Motor Vehicles	20%
Improvements	10%

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

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of profit or loss and other comprehensive income.

(e) Financial instruments

Initial recognition and measurement

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

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

Classification and subsequent measurement

Australian Nursing and Midwifery Federation

ABN: 41 816 898 298

Notes to the Financial Statements

For the Year Ended 30 June 2015

1 Summary of Significant Accounting Policies continued

(e) Financial instruments continued

Initial recognition and measurement continued

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

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

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

The Group does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

(i) Loans and receivables

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

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

Australian Nursing and Midwifery Federation

ABN: 41 816 898 298

Notes to the Financial Statements

For the Year Ended 30 June 2015

1 Summary of Significant Accounting Policies continued

(e) Financial instruments continued

Initial recognition and measurement continued

(ii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Group's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

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

Available-for-sale financial assets are included in non-current assets, except for those which are expected to be disposed of within 12 months after the end of the reporting period, which will be classified as current assets.

(iii) Financial liabilities

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

Impairment

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

Derecognition

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

Australian Nursing and Midwifery Federation

ABN: 41 816 898 298

Notes to the Financial Statements

For the Year Ended 30 June 2015

1 Summary of Significant Accounting Policies continued

(f) Cash and cash equivalents

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

(g) Employee benefits

Short-term employee benefits

Short-term employee benefits are benefits, other than termination benefits, that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service. Examples of such benefits include wages and salaries, non-monetary benefits and accumulating sick leave. Short-term employee benefits are measured at the undiscounted amounts expected to be paid when the liabilities are settled.

Long-term employee benefits

The Group's liabilities for annual leave and long service leave are included in other long term benefits as they are not expected to be settled wholly within twelve months after the end of the period in which the employees render the related service. They are measured at the present value of anticipated future wage and salary levels, experience of employee departures and periods of service, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds. Changes in measurement of the liability are recognised in profit and loss.

The Group presents employee benefit obligations as current liabilities in the statement of financial position if the Group does not have an unconditional right to defer settlement for at least twelve months after the reporting period, irrespective of when the actual settlement is expected to take place.

(h) Income tax

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

(i) 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 payable 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 consolidated statement of financial position.

Cash flows in the consolidated 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.

Australian Nursing and Midwifery Federation

ABN: 41 816 898 298

Notes to the Financial Statements

For the Year Ended 30 June 2015

1 Summary of Significant Accounting Policies continued

(j) Leases

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

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

(k) Revenue

Revenue is measured at the fair value of the consideration received or receivable.

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

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

Donations are recognised as revenue when received.

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

Capitation fees are to be recognised on an accrual basis and recorded as revenue in the year to which it relates.

(l) Government Grant

Government grant is recognised in the profit or loss when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant or sponsorship can be measured reliably.

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

Australian Nursing and Midwifery Federation

ABN: 41 816 898 298

Notes to the Financial Statements

For the Year Ended 30 June 2015

1 Summary of Significant Accounting Policies continued

(m) ANMF Branches

The Australian Nursing and Midwifery Federation (ANMF) is the federal body that co-operates with the Branches in response to national issues of importance to nurses, midwives and assistants in nursing. ANMF Branches respond to issues at a State and Territory level and actively represent the industrial, professional and political interests of members at the local level.

There is an ANMF Branch in each State and Territory in Australia. They all have separate reporting responsibilities.

The following Branches operate and conduct all of their business as a Branch of the Federation:

- ANMF Australian Capital Territory Branch
- ANMF Northern Territory Branch
- ANMF Victorian Branch
- ANMF Tasmanian Branch

The following Branches operate in conjunction with a State Registered Trade Union which are incorporated under relevant State Industrial Legislation:

- ANMF Western Australian Branch
- ANMF South Australian Branch
- ANMF New South Wales Branch
- ANMF QNU Branch

ANMF Branches are considered as reporting units under the Federation as per the Fair Work (Registered Organisations) Act 2009 (the Act). However the activities of these Branches are not consolidated into the Federal Office's accounts as the Federal Office does not have beneficial control. The Branches have their own accounting processes, are required to be audited separately and have their own reporting obligations under the Act.

(n) Contingent assets and liabilities

Contingent liabilities and contingent assets are not recognised in the Statement of Financial Position but are reported in the relevant notes. They may arise from uncertainty as to the existence of a liability or asset or represent an existing liability or asset in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain, and contingent liabilities are disclosed when settlement is greater than remote.

Australian Nursing and Midwifery Federation

ABN: 41 816 898 298

Notes to the Financial Statements

For the Year Ended 30 June 2015

1 Summary of Significant Accounting Policies continued

(o) Critical accounting estimates and judgments

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

(i) Key estimates - impairment

The Federal Council assesses impairment at the end of each reporting year by evaluating conditions specific to the Group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

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

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

(iii) Key judgments - provision for impairment of receivables

The value of the provision for impairment of receivables is estimated by considering the ageing of receivables, communication with the debtors and prior history.

(p) New Australian Accounting Standards

Adoption of New Australian Accounting Standard Requirements

No accounting standard has been adopted earlier than the application date stated in the standard.

The accounting policies adopted are consistent with those of the previous financial year except for AASB 10 Consolidated Financial Statements, which have been adopted for the first time this financial year.

AASB 10 Consolidated Financial Statements redefines the concept of control. AASB 10 replaces the consolidation requirements of SIC-12 Consolidation—Special Purpose Entities and AASB 127 Consolidated and Separate Financial Statements and is effective for not-for-profit entities with annual periods beginning on or after 1 January 2014.

Australian Nursing and Midwifery Federation

ABN: 41 816 898 298

Notes to the Financial Statements

For the Year Ended 30 June 2015

1 Summary of Significant Accounting Policies continued

(p) New Australian Accounting Standards continued

Adoption of New Australian Accounting Standard Requirements continued

Adopting AASB 10 has caused the Federal Office to consolidate its financial report with National Enrolled Nurse Association (NENA), which is a national Special Interest Group. NENA was set up to promote the value of Enrolled Nurses and raise the awareness of the Enrolled Nurse role within the community whilst providing a forum for all Enrolled Nurses to participate at a National level. This will be the first time NENA will consolidate its financial statements with the Federal Office. The consolidation has been applied retrospectively.

Preparers of financial statements should be aware as to the potential effect of the adoption of new or amending Standards on an entity's financial statements. For example, while applicable to the financial statements of the Australian Nursing and Midwifery Federation, the adoption of the following Accounting Standards has been deemed either not to affect the financial statements of the Australian Nursing and Midwifery Federation or to have an effect that is immaterial such that no AASB 108 or other transitional disclosures have been triggered:

Australian Nursing and Midwifery Federation

ABN: 41 816 898 298

Notes to the Financial Statements

For the Year Ended 30 June 2015

2 Revenue and Other Income

	2015	2014
Note	\$	\$
Revenue		
- Membership subscription	3,100	6,423
- Capitation fees	2(a) 4,494,210	4,215,843
- Australian Nursing and Midwifery Journal subscription fees	2(b) 1,671,316	1,635,506
- Campaign- Branch contribution	2(c) -	16,565
- Grants and donations	2(d) 189,587	354,654
- Australian Nursing and Midwifery Journal advertising income	496,880	459,944
- Biennial National Conference Income	2(e) -	218,341
- Continuing Professional Education income	225,959	228,902
- ACTU levy - Branch contribution	2(f) 126,716	233,184
- Interest income	23,405	15,603
- Advanced Practice Nurse Study	2(g) 44,030	105,285
- Other income	175,024	201,003
	<u>7,450,227</u>	<u>7,691,253</u>

(a) Capitation fees

	2015	2014
	\$	\$
ANMF Australian Capital Territory Branch	45,587	41,068
ANMF New South Wales Branch	1,186,141	1,098,160
ANMF Northern Territory Branch	53,818	49,192
ANMF South Australian Branch	337,901	311,910
ANMF QNU Branch	915,673	901,012
ANMF Tasmania Branch	131,036	121,575
ANMF Victorian Branch	1,300,319	1,219,876
ANMF Western Australian Branch	523,735	473,050
Total capitation fee income	<u>4,494,210</u>	<u>4,215,843</u>

Australian Nursing and Midwifery Federation

ABN: 41 816 898 298

Notes to the Financial Statements

For the Year Ended 30 June 2015

2 Revenue and Other Income continued

(b) Australian Nursing and Midwifery Journal subscription fees

	2015	2014
	\$	\$
ANMF Australian Capital Territory Branch	41,378	38,399
ANMF New South Wales Branch	715	715
ANMF Northern Territory Branch	41,284	40,155
ANMF South Australian Branch	293,748	281,400
ANMF Tasmania Branch	108,753	107,805
ANMF Victorian Branch	1,154,480	1,125,312
Non-reporting units	30,958	41,720
Total Australian Nursing and Midwifery Journal subscription fees	<u>1,671,316</u>	<u>1,635,506</u>

(c) Campaign contribution from Branches

ANMF Australian Capital Territory Branch	-	2,051
ANMF Northern Territory Branch	-	2,061
ANMF South Australian Branch	-	2,406
ANMF QNU Branch	-	6,173
ANMF Tasmanian Branch	-	2,154
ANMF Victorian Branch	-	1,115
ANMF Western Australian Branch	-	605
Total	<u>-</u>	<u>16,565</u>

In the 2014 financial year, the contribution received from Branches was used for APHEDA Campaign for social justice work.

(d) Grants and donations

Grants	189,587	354,654
Donations	-	-
Total	<u>189,587</u>	<u>354,654</u>

Australian Nursing and Midwifery Federation

ABN: 41 816 898 298

Notes to the Financial Statements

For the Year Ended 30 June 2015

2 Revenue and Other Income continued

(e) Biennial National Conference income

	2015	2014
	\$	\$
ANMF Australian Capital Territory Branch	-	1,735
ANMF New South Wales Branch	-	50,599
ANMF Northern Territory Branch	-	2,146
ANMF South Australian Branch	-	13,849
ANMF QNU Branch	-	40,708
ANMF Tasmanian Branch	-	5,433
ANMF Victorian Branch	-	54,706
ANMF Western Australian Branch	-	20,255
Sponsorship from other non-reporting units	-	28,910
Total	-	218,341

(f) ACTU levy - Branch contribution

ANMF Australian Capital Territory Branch	3,257	2,986
ANMF Northern Territory Branch	3,780	3,520
ANMF South Australian Branch	24,983	23,522
ANMF QNU Branch	-	68,016
ANMF Tasmanian Branch	-	8,923
ANMF Victorian Branch	94,696	91,056
ANMF Western Australian Branch	-	35,161
Total	126,716	233,184

(g) Advanced Practice Nurse Study

ANMF Australian Capital Territory Branch	590	994
ANMF New South Wales Branch	-	27,693
ANMF Northern Territory Branch	685	1,171
ANMF South Australian Branch	4,539	7,827
ANMF QNU Branch	12,290	22,632
ANMF Tasmanian Branch	1,718	2,969
ANMF Victorian Branch	17,273	30,298
ANMF Western Australian Branch	6,935	11,700
Total	44,030	105,285

Australian Nursing and Midwifery Federation

ABN: 41 816 898 298

Notes to the Financial Statements

For the Year Ended 30 June 2015

3 Expenses

(a) Employee expenses

	2015	2014
	\$	\$
Holders of office:		
Wages and salaries	345,500	241,622
Superannuation	52,794	48,145
Leave and other entitlements	50,940	92,035
Separation and redundancies	-	-
Other employee expenses	23,175	22,888
Subtotal employee expenses holders of office	472,409	404,690
Employees other than office holders:		
Wages and salaries	2,092,317	1,411,319
Superannuation	310,246	266,496
Leave and other entitlements	83,373	573,595
Separation and redundancies	-	-
Payroll tax	119,375	113,934
Other employee expenses	33,832	34,630
Subtotal employee expenses employees other than office holders	2,639,143	2,399,974
Total employee expenses	3,111,552	2,804,664
(b) Affiliation fees		
Australian Council of Trade Unions	584,730	559,096
National Rural Health Alliance Inc	-	60
APHEDA Union Aid Abroad	2,054	2,055
Public Policy Advocates Australia	-	9,091
Families Australia	-	50
Australian College of Nursing (ICN)	94,277	629
Total	681,061	570,981

Australian Nursing and Midwifery Federation

ABN: 41 816 898 298

Notes to the Financial Statements

For the Year Ended 30 June 2015

3 Expenses continued

(c) Legal expenses

	2015	2014
Note	\$	\$
Litigation	-	-
Other legal matters	11,280	71,880
Total	11,280	71,880

(d) Grants or donations

Donations

Total paid that were \$1,000 or less	500	1,874
Total paid that exceeded \$1,000	22,029	29,327

Grants

Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Total	22,529	31,201

(e) Levies

Australian Council of Trade Unions	(i) 321,200	364,053
Total	321,200	364,053

(i) This campaigning fund is the collective commitment of Australian unions to campaign at a national, movement-wide level for working Australians, their families and communities.

(f) Other expense disclosures

Depreciation:

Land and buildings	32,621	68,316
Plant and equipment	116,276	81,855
Total depreciation	148,897	150,171

Other Expenses:

Fees/allowances - meetings and conferences	-	-
Consideration to employers for payroll deductions	-	-
Capitation fees	-	-
Penalties - via RO Act or RO Regulations	-	-

Australian Nursing and Midwifery Federation

ABN: 41 816 898 298

Notes to the Financial Statements

For the Year Ended 30 June 2015

4 Cash and Cash Equivalents

	2015	2014
Note	\$	\$
Cash on hand	580	580
Cash at bank	1,225,129	1,961,644
	<u>1,225,709</u>	<u>1,962,224</u>

5 Trade and Other Receivables

CURRENT

Trade receivables	(a)	632,613	334,472
Provision for impairment	(b)	(10,000)	(80,000)
Net trade receivables		622,613	254,472
Other receivables		55	10,759
		<u>622,668</u>	<u>265,231</u>

(a) Trade receivables from Branches

Included in the trade receivables balance are receivables from ANMF Branches. As per the requirements of Fair Work Act (Registered Organisations) Act 2009, trade receivables from ANMF Branches (reporting units) consist of:

Receivables from other reporting units

ANMF Australian Capital Territory Branch	8,546	3,561
ANMF New South Wales Branch	108,801	1,535
ANMF Northern Territory Branch	120	63
ANMF South Australian Branch	60,885	37,329
ANMF QNU Branch	-	23,659
ANMF Tasmanian Branch	23,254	14,452
ANMF Victorian Branch	308,906	62,396
ANMF Western Australian Branch	-	16,010
Total receivable from other reporting units	510,512	159,005
Less provision for doubtful debt:		
Other reporting units	-	-
Total provision for doubtful debts from other reporting units	-	-
Receivable from other reporting units (net)	<u>510,512</u>	<u>159,005</u>

Australian Nursing and Midwifery Federation

ABN: 41 816 898 298

Notes to the Financial Statements

For the Year Ended 30 June 2015

5 Trade and Other Receivables continued

(b) Provision for impairment of receivables

Movement in provision for impairment of receivables is as follows:

	2015	2014
Note	\$	\$
Balance at beginning of the year	80,000	147,284
Charged for the year	-	36,279
Bad debt written off	-	(103,563)
Reversal of impairment	(70,000)	-
	<u>10,000</u>	<u>80,000</u>

6 Other financial assets

Held-to-maturity investments comprise:

Term deposits - current	31,044	52,813
-------------------------	--------	--------

7 Other Assets

CURRENT

Prepayments	84,232	56,846
Security on leased premises	2,520	2,520
	<u>86,752</u>	<u>59,366</u>

Australian Nursing and Midwifery Federation

ABN: 41 816 898 298

Notes to the Financial Statements

For the Year Ended 30 June 2015

8 Property, Plant and Equipment

	2015	2014
	\$	\$
LAND AND BUILDINGS		
Land and buildings		
At cost	1,761,101	1,761,101
Accumulated depreciation	(352,330)	(319,709)
Total land and buildings	<u>1,408,771</u>	<u>1,441,392</u>
Freehold Improvements		
At cost	418,910	418,910
Accumulated depreciation	(327,060)	(291,365)
Total Freehold improvements	<u>91,850</u>	<u>127,545</u>
Total land and buildings	<u>1,500,621</u>	<u>1,568,937</u>
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	692,516	702,436
Accumulated depreciation	(631,108)	(602,566)
Total plant and equipment	<u>61,408</u>	<u>99,870</u>
Motor vehicles		
At cost	61,729	33,999
Accumulated depreciation	(6,649)	(18,302)
Total motor vehicles	<u>55,080</u>	<u>15,697</u>
Total plant and equipment	<u>116,488</u>	<u>115,567</u>
Total property, plant and equipment	<u><u>1,617,109</u></u>	<u><u>1,684,504</u></u>

Australian Nursing and Midwifery Federation

ABN: 41 816 898 298

Notes to the Financial Statements

For the Year Ended 30 June 2015

8 Property, Plant and Equipment continued

(a) Movements in carrying amounts of property, plant and equipment

	Land	Buildings	Plant and Equipment	Motor Vehicles	Freehold Improvements	Total
	\$	\$	\$	\$	\$	\$
2015						
Year ended 30 June 2015						
Balance at the beginning of year	130,047	1,311,345	99,870	15,697	127,545	1,684,504
Additions	-	-	30,296	61,729	-	92,025
Disposals - written down value	-	-	-	(10,462)	-	(10,462)
Depreciation expense	-	(32,621)	(68,758)	(11,884)	(35,695)	(148,958)
Balance at the end of the year	130,047	1,278,724	61,408	55,080	91,850	1,617,109

	Land	Buildings	Plant and Equipment	Motor Vehicles	Freehold Improvements	Total
	\$	\$	\$	\$	\$	\$
2014						
Year ended 30 June 2014						
Balance at the beginning of year	130,047	1,343,966	147,125	22,496	163,239	1,806,873
Additions	-	-	27,801	-	-	27,801
Depreciation expense	-	(32,621)	(75,056)	(6,799)	(35,695)	(150,171)
Balance at the end of the year	130,047	1,311,345	99,870	15,697	127,545	1,684,504

Australian Nursing and Midwifery Federation

ABN: 41 816 898 298

Notes to the Financial Statements

For the Year Ended 30 June 2015

9 Trade and Other Payables

	Note	2015 \$	2014 \$
CURRENT			
Unsecured liabilities:			
Trade payables	9(a)	286,516	478,013
Accrued expense		55,200	43,986
Sundry payables		133,506	96,227
GST payables		98,098	140,852
Consideration to employers for payroll deductions		-	-
		<u>573,320</u>	<u>759,078</u>
(a) Payables include:			
Payables to other reporting units:			
ANMF QNU Branch		-	5,566
Total payables to other reporting units		-	<u>5,566</u>
Payables for legal cost			
Litigation		-	-
Other legal matters		-	2,105
Total payables to legal cost		-	<u>2,105</u>
(b) Financial liabilities at amortised cost classified as trade and other payables			
Trade and other payables:			
- total current		573,320	759,078
Less:			
GST payables		(98,098)	(140,852)
Financial liabilities as trade and other payables	14	<u>475,222</u>	<u>618,226</u>

Australian Nursing and Midwifery Federation

ABN: 41 816 898 298

Notes to the Financial Statements

For the Year Ended 30 June 2015

10 Borrowings

	2015	2014
Note	\$	\$
NON-CURRENT		
Secured liabilities:		
Bank loans	10(a) <u>200,796</u>	804,487
	<u>200,796</u>	<u>804,487</u>

(a) Bank loans

The bank overdraft and loan are secured by a registered first mortgage over the freehold properties of the Group by the Members Equity Bank. The facility is for a 20 year period maturing on 28 June 2032. The repayments for the first five years are interest only and the remainder of the loan period are principal and interest with flexibility of early repayment of principle. The carrying amounts of non-current assets pledged as security are freehold land and buildings with a written down value of \$1,500,621 (2014:\$1,568,937).

11 Provisions

Employee Provisions

Office Holders:

Annual leave	74,185	42,759
Long service leave	87,340	46,097
Separations and redundancies	-	-
Additional day off	23,632	12,599
Subtotal employee provisions office holders	<u>185,157</u>	<u>101,455</u>

Employees other than office holders:

Annual leave	287,311	244,300
Long service leave	377,970	310,012
Separations and redundancies	-	-
Additional day off	38,869	40,642
Subtotal employee provisions employees other than office holders	<u>704,150</u>	<u>594,954</u>
Total employee provisions	<u>889,307</u>	<u>696,409</u>

Australian Nursing and Midwifery Federation

ABN: 41 816 898 298

Notes to the Financial Statements

For the Year Ended 30 June 2015

11 Provisions continued

Analysis of total provisions

	2015	2014
	\$	\$
Current	843,851	616,978
Non-current	45,456	79,431
	<u>889,307</u>	<u>696,409</u>

Provision for Annual Leave Employee Benefits and Additional Day Off (ADO)

Provision for employee benefits represents amounts accrued for annual leave, additional day off (ADO) and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements, ADO and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the Group does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the Group does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

Movements in Employee Provisions

	Employee benefits	Total
	\$	\$
Opening balance at 1 July 2014	696,409	696,409
Additional provisions raised during the year	496,652	496,652
Amounts used	(303,754)	(303,754)
Balance at 30 June 2015	<u>889,307</u>	<u>889,307</u>

12 Other Liabilities

	2015	2014
	\$	\$
CURRENT		
Unearned grant income	52,669	179,067
Conference income in advance	-	100,000
Unearned subscription	118,679	16,352
	<u>171,348</u>	<u>295,419</u>

Australian Nursing and Midwifery Federation

ABN: 41 816 898 298

Notes to the Financial Statements

For the Year Ended 30 June 2015

13 Cash Flow Information

(a) Reconciliation of cash from operations with surplus for the year

	2015	2014
	\$	\$
Net surplus for the year	279,766	231,162
Non-cash flows in surplus		
Depreciation	148,958	150,171
Loss/(profit) on disposal of non-current assets	(9,539)	-
Provision for doubtful debts	(70,000)	(67,283)
Changes in assets and liabilities		
(Increase)/decrease in trade and term receivables	(287,436)	695,057
(Increase)/decrease in other assets	(27,386)	(18,220)
Increase/(decrease) in trade payables and accruals	(185,758)	188,820
Increase/(decrease) in other current liabilities	(124,071)	(281,026)
Increase/(decrease) in provisions	192,898	31,216
	<u>(82,568)</u>	<u>929,897</u>

(b) Cash flow with reporting units

Cash Inflows:

ANMF Australian Capital Territory Branch	142,860	141,861
ANMF New South Wales Branch	1,216,269	1,532,647
ANMF Northern Territory Branch	110,155	109,947
ANMF South Australian Branch	709,102	720,588
ANMF QNU Branch	1,058,266	1,156,710
ANMF Tasmanian Branch	258,792	282,482
ANMF Victorian Branch	3,241,864	3,410,741
ANMF Western Australian Branch	600,637	545,340
Total cash inflows	<u>7,337,945</u>	<u>7,900,316</u>

Cash outflows:

ANMF Australian Capital Territory Branch	(5,527)	(4,860)
ANMF New South Wales Branch	(6,897)	(66,880)
ANMF Northern Territory Branch	(10,307)	(2,500)
ANMF South Australian Branch	(1,348)	(36,426)
ANMF QNU Branch	(10,012)	(2,631)
ANMF Tasmanian Branch	(2,258)	(4,402)
ANMF Victorian Branch	(65,014)	(11,084)
ANMF Western Australian Branch	-	-
Total cash outflows	<u>(101,363)</u>	<u>(128,783)</u>

Australian Nursing and Midwifery Federation

ABN: 41 816 898 298

Notes to the Financial Statements

For the Year Ended 30 June 2015

14 Financial Risk Management

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

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

	Note	2015 \$	2014 \$
Financial Assets			
Cash and cash equivalents	4	1,225,709	1,962,224
Trade and other receivables	5	622,668	265,231
Held to maturity (amortised cost)	6	31,044	52,813
Total financial assets		1,879,421	2,280,268
Financial Liabilities			
Trade and other payables	9	475,222	618,226
Borrowings	10	200,796	804,487
Total financial liabilities		676,018	1,422,713

Net Fair Values

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

Cash and cash equivalents, trade and other receivables, trade and other payables are short term instruments in nature whose carrying value is equivalent to fair value. Long term borrowings relate to a commercial loan whose carrying value is equivalent to fair value. Trade and other payables excludes amounts provided for relating to annual and long service leave which is not considered a financial instrument.

Financial risk management policies

The Federal Council have overall responsibility for the establishment of the Group's financial risk management framework. This includes the development of policies covering specific areas.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The overall risk management policies seek to assist the Group in meeting its financial targets, while minimising potential adverse effects on financial performance.

Australian Nursing and Midwifery Federation

ABN: 41 816 898 298

Notes to the Financial Statements

For the Year Ended 30 June 2015

14 Financial Risk Management continued

Financial risk management policies continued

Mitigation strategies for specific risks faced are described below:

(a) Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Group and arises principally from the Group's receivables.

Credit risk exposure

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying amount and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

The Group has no significant concentrations of credit risk exposure to any single counterparty or group of counterparties.

(b) Liquidity risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The entity manages this risk through the following mechanisms:

- preparing forward-looking cash flow analysis in relation to its operational, investing and financial activities which are monitored on a monthly basis;
- monitoring undrawn credit facilities;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

The table below reflects an undiscounted contractual maturity analysis for financial liabilities.

The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates and does not reflect management's expectations that banking facilities will be rolled forward.

Australian Nursing and Midwifery Federation

ABN: 41 816 898 298

Notes to the Financial Statements

For the Year Ended 30 June 2015

14 Financial Risk Management continued

Financial liability maturity analysis

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2015	2014	2015	2014	2015	2014	2015	2014
	\$	\$	\$	\$	\$	\$	\$	\$
Financial liabilities due for payment								
Trade and other payables (excluding estimated annual leave)	475,222	618,226	-	-	-	-	475,222	618,226
Borrowings (excluding finance lease)	-	-	-	74,828	200,796	729,659	200,796	804,487
Total contractual outflows	475,222	618,226	-	74,828	200,796	729,659	676,018	1,422,713

The timing of expected outflows is not expected to be materially different from contracted cash flows.

Australian Nursing and Midwifery Federation

ABN: 41 816 898 298

Notes to the Financial Statements

For the Year Ended 30 June 2015

14 Financial Risk Management continued

(c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

(d) Price risk

The Group is not exposed to any material commodity price risk.

(e) Interest Rate Risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period, whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Group is also exposed to earnings volatility on floating rate instruments.

The financial instruments that expose the Group to interest rate risk are limited to bank loans, held-to-maturity financial assets and cash on hand.

Interest rate risk sensitivity analysis

At 30 June 2015, the effect on profit and equity as a result of changes in the interest rate, with all other variables remaining constant would be as follows:

	2015	2014
	\$	\$
Change in profit		
- Increase in interest rate +/- 2%	21,108	24,120
Change in equity		
- Increase in interest rate +/- 2%	21,108	24,120

15 Remuneration of Auditors

Remuneration of the auditor for:

- Financial statement audit services	21,850	18,950
- Preparation of general purpose financial report	5,150	4,900
	<u>27,000</u>	<u>23,850</u>

Australian Nursing and Midwifery Federation

ABN: 41 816 898 298

Notes to the Financial Statements

For the Year Ended 30 June 2015

16 Capital and Leasing Commitments

(a) Operating lease commitments

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

	2015	2014
	\$	\$
Payable - minimum lease payments		
- not later than 12 months	12,324	17,431
	<u>12,324</u>	<u>17,431</u>

The operating lease commitments consist of a photocopy lease. The photocopy lease is a 48 months lease which commenced on 1 April 2015.

17 Related Parties

The Group's main related parties are as follow:

(a) Controlled entity

Australian Nursing and Midwifery Federation is the parent entity, which exercises control over the National Enrolled Nurse Association (NENA).

NENA is a Special Interest Group that was set up to promote the value of Enrolled Nurses and raise the awareness of the Enrolled Nurse role within the community whilst providing a forum for all Enrolled Nurses to participate at a National level.

Balances and transactions between Australian Nursing and Midwifery Federation and NENA have been eliminated on consolidation.

Australian Nursing and Midwifery Federation

ABN: 41 816 898 298

Notes to the Financial Statements

For the Year Ended 30 June 2015

(b) **Other related parties**

The Group undertook related party transactions with the State Branches which are disclosed in note 2 and note 5 which were on normal commercial terms. Other related party transactions that were not disclosed in note 2 and note 5 as follow:

Contribution received from reporting units for shared database cost:

ANMF Australian Capital Territory Branch	604	115
ANMF New South Wales Branch	16,358	16,676
ANMF Northern Territory Branch	80	135
ANMF South Australian Branch	4,649	4,715
ANMF QNU Branch	12,589	13,565
ANMF Tasmanian Branch	1,760	1,788
ANMF Victorian Branch	17,692	18,228
ANMF Western Australian Branch	809	1,356
	<u>54,541</u>	<u>56,578</u>

Expenses paid to ANMF SA Branch includes the following:

Consultancy fee for Pathways Project including reimbursements paid	-	18,237
---	---	--------

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

Included in note 13(b) are cash flows for reimbursements to and from reporting units which are not regarded as related party transactions. These reimbursements consist of:

- Payroll tax received from and paid on behalf of ANMF Victorian Branch and ANMF Australian Capital Territory Branch; and
- Travelling cost for state representatives to attend the Federal meetings and conference.

Australian Nursing and Midwifery Federation

ABN: 41 816 898 298

Notes to the Financial Statements

For the Year Ended 30 June 2015

18 Key Management Personnel Disclosures

Key management personnel remuneration included within employee expenses for the year is shown below:

The Group paid an honorarium fee of \$3,000 and \$1,500 to the Federal President and Vice Federal President respectively for the year ended 30 June 2015. The other Executive Committee Members and the Federation's Councillors are not remunerated in their capacity as councillors.

	2015	2014
	\$	\$
Key management personnel compensation:		
- short-term employee benefits	379,609	327,977
- post-employment benefits	52,794	48,145
- other long-term benefits	16,832	5,680
- termination benefits	-	-
	<u>449,235</u>	<u>381,802</u>

19 Events after the end of the Reporting Period

There were no events that occurred after 30 June 2015, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Group.

20 Contingent Liabilities and Contingent Assets

Australian Nursing and Midwifery Federation Victorian Branch RTO Prepaid Course Monies Trust rights of indemnity

The establishment of RTO Prepaid Monies Trust is for the purpose of protecting the prepaid monies that students or intending students pay to the Australian Nursing and Midwifery Federation Victorian Branch, who are the provider of the courses, in respect of the future provision of education services to those students. The RTO Prepaid Monies Trust was established during 2012/2013 financial year. The Federal Office is the trustee of the Prepaid Course Monies Trust.

Rights of indemnity for liabilities incurred by the Federation on behalf of the Australian Nursing and Midwifery Federation Victorian Branch RTO Prepaid Course Monies Trust not recognised in the financial statements of the Group amounts to \$300,701.

The assets of the trust, which lie behind the right of indemnity, are not directly available to meet any liabilities of the Federal Office acting in its own right. The assets of the trust were sufficient to discharge all liabilities of the trust at 30 June 2015.

Australian Nursing and Midwifery Federation

ABN: 41 816 898 298

Notes to the Financial Statements

For the Year Ended 30 June 2015

20 Contingent Liabilities and Contingent Assets continued

Business card facility

The Group has a business card facility of \$30,000 with the Commonwealth Bank of Australia, which is guaranteed by the Group's term deposit.

ANMF Australian Capital Territory Branch

In 2014, the Federal Office purchased a property at Dundas Court, Philip, ACT 2606 on behalf of ANMF Australian Capital Territory Branch. The cost of the property is \$455,000. The Federal Office does not recognise the asset in the Statement of Financial Position as the Federal Office is not the beneficial owner of the property.

The Federal Office also took a loan of \$318,000 from Members Equity Bank on behalf of ANMF Australian Capital Territory Branch to purchase the property which was secured by a registered first mortgage. The loan is for a 15 years period maturing in year 2029. The loan repayment is 'principle and interest' until loan expiry and it is to be paid by ANMF Australian Capital Territory Branch. The balance of the account as at 30 June 2015 is \$261,796.

The loan has not been recognised as a liability in the statement of financial position as the asset securing the loan is sufficient to indemnify the Group.

21 Acquisition of Assets and Liabilities

There we no acquisition of any asset or liability during the financial year as a result of:

- (a) an amalgamation under Part 2 of Chapter 3, of the RO Act in which the organisation (of which the reporting unit form part) was the amalgamated organisation; or
- (b) a restructure of the Branches of the organisation; or
- (c) a determination by the General Manager under subsection 245(1) of the RO Act of an alternative reporting structure for the organisation; or
- (d) a revocation by the General Manager under subsection 249(1) of the RO Act of a certificate issued to an organisation under subsection 245(1),

22 Economic Dependence and Going Concern

The Group is economically dependent on capitation fees received from each ANMF Branches. In the 2015 year this formed 60% of the total revenue used to operate the Group. The capitation fee received from each ANMF Branch is disclosed in Note 2(a). At the date of this report the Federal Council has no reason to believe the state Branches will not continue to support the Group.

The Group does not receive or provide any other forms of financial support from or to its state Branches.

Australian Nursing and Midwifery Federation

ABN: 41 816 898 298

Notes to the Financial Statements

For the Year Ended 30 June 2015

23 Parent entity

Information relating to the parent entity, Australian Nursing and Midwifery Federation are as follows:

	2015	2014
	\$	\$
Consolidated Statement of Financial Position		
Assets		
Current assets	1,959,099	2,339,038
Non-current assets	1,617,109	1,684,503
Total Assets	<u>3,576,208</u>	<u>4,023,541</u>
Liabilities		
Current liabilities	1,588,519	1,669,538
Non-current liabilities	246,252	883,918
Total Liabilities	<u>1,834,771</u>	<u>2,553,456</u>
Equity		
Retained earnings	1,741,438	1,470,085
Total Equity	<u>1,741,438</u>	<u>1,470,085</u>
Consolidated Statement of Profit or Loss and Other Comprehensive Income		
Total profit or loss for the year	271,354	226,984
Other comprehensive income	-	-
Total comprehensive income	<u>271,354</u>	<u>226,984</u>

Refer to Note 21 for further details on contingent liabilities at year end.

Australian Nursing and Midwifery Federation

ABN: 41 816 898 298

Notes to the Financial Statements

For the Year Ended 30 June 2015

24 Federal Office Details

The registered office of the Federal Office is:

Unit 3, 28 Eyre Street
Kingston, ACT 2604

The principal places of business are:

Unit 3, 28 Eyre Street, Kingston ACT 2604
and
Level 1, 365 Queen Street, Melbourne VIC 3000

25 Information to be supplied to Members or General Manager

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 must be provided to members or the General Manager:

1. A member of the reporting unit, or the General Manager, may apply to the reporting unit for specific 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 be not less than 14 days after the application has been given to the reporting unit.
3. A reporting unit must comply with an application made under subsection (1).

Australian Nursing and Midwifery Federation

ABN: 41 816 898 298

Statement by the Federal Council

On the 9/9/15 the Federal Council of the Australian Nursing and Midwifery Federation passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 30 June 2015:

The Federal Council 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 the reporting guidelines of the General Manager;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - i. meetings of the Councillors were held in accordance with the rules of the Federation including the rules of a Branch concerned;
 - ii. the financial affairs of the Group have been managed in accordance with the rules of the Federation including the rules of a Branch concerned;
 - iii. the financial records of the Group have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009;
 - iv. the financial records of the Branches considered as reporting units under the Federation have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the Federation.
 - v. the information sought in any request of a member of the Federation or the General Manager of the Fair Work Commission duly made under section 272 of the Fair Work (Registered Organisations) Act 2009 has been furnished to the member or General Manager of the Fair Work Commission;
 - vi. there has been compliance where an order for any inspection of financial records has been made by Fair Work Commission under section 273 of the Fair Work (Registered Organisations) Act 2009;
 - vii. no revenue has been derived from undertaking recovery of wages activity during the reporting period

This declaration is made in accordance with a resolution of the Federal Council:

Federal Secretary 

Lee Thomas

Dated 9/9/15

Australian Nursing and Midwifery Federation

ABN: 41 816 898 298

Independent Audit Report to the members of Australian Nursing and Midwifery Federation

Report on the Financial Report

We have audited the accompanying financial report of Australian Nursing and Midwifery Federation, which comprises the consolidated statement of financial position as at 30 June 2015, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and statement by the federal council of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Councillor's Responsibility for the Financial Report

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

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial report.

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

Independence

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

Australian Nursing and Midwifery Federation

ABN: 41 816 898 298

Independent Audit Report to the members of Australian Nursing and Midwifery Federation

Auditor's Declaration

We declare that we are an approved auditor, a member of Chartered Accountants Australia and New Zealand and hold a current Public Practising Certificate.

Auditor's Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of Australian Nursing and Midwifery Federation and its controlled entity, as at 30 June 2015, and of their financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards and the requirements of the Fair Work (Registered Organisations) Act 2009 including Part 3 of Chapter 8 of the Act.

In our opinion, the management's use of the going concern basis of accounting in preparation of the Australian Nursing and Midwifery Federation financial report is appropriate.

The scope of our audit did extend to recovery of wages activity, however as noted in the Statement by the Federal Council, no revenue has been derived from undertaking recovery of wages activity during the reporting period.



Saward Dawson Chartered Accountants



Peter Shields
Principal
Registered Company Auditor

Blackburn VIC

Date: 9 September 2015