



20 December 2019

Matthew Daniel
Branch Secretary
Australian Nursing and Midwifery Federation - Australian Capital Territory Branch

Sent via email: anmfact@anmfact.org.au
CC: PMiller@vincents.com.au

Dear Matthew Daniel,

**Australian Nursing and Midwifery Federation - Australian Capital Territory Branch
Financial Report for the year ended 30 June 2019 – (FR2019/202)**

I acknowledge receipt of the financial report for the year ended 30 June 2019 for the Australian Nursing and Midwifery Federation - Australian Capital Territory Branch. The documents were lodged with the Registered Organisations Commission (**the ROC**) on 21 November 2019.

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 (**RGs**) 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 2020 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 comments to assist you when you next prepare a financial report. The ROC will confirm these concerns have been addressed prior to filing next year's report.

General purpose financial report

Officer's declaration statement – to include all nil activity disclosures not elsewhere disclosed

Item 21 of the RGs states that if any of the activities identified within items 10-20 of the RGs have not occurred in the reporting period, a statement to this effect must be included either in the financial statements, the notes or in the officer's declaration statement. I note that the officer's declaration statement includes the following nil activity disclosures for which there was already an equivalent form of disclosure in the financial statements and the body of the notes:

- Agree to receive financial support from another reporting unit to continue as a going concern (Note 1.26);
- Agree to provide financial support to another reporting unit to ensure they continue as a going concern (Note 1.26);
- Receive revenue via compulsory levies (statement of comprehensive income and Note 3B);
- Receive donations or grants (statement of comprehensive income and Note 3E);

- Receive revenue from undertaking recovery of wages activity (statement of comprehensive income and Note 3G);
- Incur fees as consideration for employers making payroll deductions of membership subscriptions (Note 4D);
- Pay compulsory levies (Note 4D);
- Pay a grant that exceeded \$1,000 (Note 4E);
- Pay a donation that was \$1,000 or less (Note 4E);
- Pay separation and redundancy expense for holders of office (Note 4A);
- Pay separation and redundancy expense for employees (other than holders of offices) (Note 4A);
- Pay a penalty imposed under the RO Act or the Fair Work Act 2009 (Note 4J);
- Have a payable to employer as consideration for that employer making payroll deductions of membership subscriptions (Note 7B);
- Have a payable in respect of legal costs relating to litigation (Note 7B);
- Have a payable in respect of legal costs relating to other legal matters (Note 7B);
- Have a liability for separation and redundancy for holders of offices (Note 8A);
- Have a liability for separation and redundancy for employees (other than holders of offices) (Note 8A); and
- Have a fund or account for compulsory levies, voluntary contributions or required by the rules of the organisation or branch (Note 10).

Please note that nil activities only need to be disclosed once.

Inconsistency in disclosure of financial information

The statement of changes in equity discloses a balance of retained earnings of \$2,686,885 for the 2019 financial year (2018: \$2,916,521). The officer's declaration statement includes a nil disclosure in relation to a balance in the general fund. It would appear that retained earnings is the reporting unit's general fund.

Note 8A *Employee provision* discloses a liability for other employment provisions for holders of offices of \$2,184 and a liability for other employment provision for employees other than office holders of \$8,760 for the 2019 financial year. The officer's declaration statement, however includes nil disclosures of having a liability for other employment provisions for holders of offices and for employees (other than holders of offices).

In future years, please ensure that items within the financial report are disclosed consistently.

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 RGs 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 RGs 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 0764 or via email at kylie.ngo@roc.gov.au.

Yours sincerely,



Kylie Ngo
Registered Organisations Commission



Australian
Nursing &
Midwifery
Federation

AUSTRALIAN CAPITAL TERRITORY

The Australian Nursing & Midwifery Federation – ACT Branch

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

Certificate by the Prescribed Designated Officer for the year ended 30 June 2019

I Matthew David Daniel being the Branch Secretary of The Australian Nursing & Midwifery Federation ACT Branch certify:

- that the documents lodged herewith are copies of the full report for The Australian Nursing & Midwifery Federation ACT Branch for the period ended 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 26th November 2019
- that the full report was presented to a meeting of the Committee of Management of The Australian Nursing & Midwifery Federation ACT Branch on 19th November 2019 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of Prescribed Designated Officer: 

Name of Prescribed Designated Officer: Matthew David Daniel

Title of Prescribed Designated Officer: Branch Secretary

Dated: 19/11/19



The Australian Nursing & Midwifery Federation – ACT Branch

Expenditure Report for the year ended 30 June 2019

The Committee of Management presents the expenditure report¹ as required under subsection 255(2A) on the reporting unit for the year ended 30 June 2019.

Descriptive Form

Categories of expenditures	2019 (\$)	2018 (\$)
Remuneration and other employment-related costs and expenses – employees	\$1,183,958.13	1,065,450.59
Advertising	NIL	NIL
Operating costs	\$1,707,724.92	\$1,522,383.86
Donations to political parties	NIL	NIL
Legal costs	\$59,429.73	\$13,733.39

Signature of Designated Officer: 

Name and title of Designated Officer: Matthew David Daniel. Branch Secretary

Dated: 30/10/19



The Australian Nursing & Midwifery Federation ACT Branch

The Operating Report for the year ended 30 June 2019

The Committee of Management presents its Operating Report on the Reporting Unit for the year ended 30 June 2019.

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

The Principal activities of the Federation during the financial year were as follows:

The Industrial & Professional representation of Nurses and Midwives and Nursing & Midwifery.

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

Significant changes in financial affairs

No significant change in the financial affairs of the financial unit occurred during the financial year.

Right of Members to resign

The Members retain the right to resign from The Nursing & Midwifery Federation in accordance with Clause 10 of the Federal Rules.

Officers or Members who are Superannuation Fund Trustee(s) (include position details) 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

No Officers held positions as Trustees or Directors and no criterion exists for them holding such positions.

Number of Financial Members

The number of financial members as at 30 June 2019 was 2887

Number of Employees

The number of Employees as at 30 June 2019 was 10



Names of Committee of Management Members and period positions held during the Financial Year

President: Athalene Rosborough 1 July 2018 – 30 June 2019

Vice President: Shane Carter 1 July 2018 – 6 August 2018
Leave of absence 6 August 2018 - 30 June 2019

Branch Secretary Matthew Daniel 1 July 2018 – 30 June 2019

Executive Committee Members:

Lyndsey Ohman 1 July 2018 – 30 June 2019

Leanne Ehrlich 1 July 2018 – 30 June 2019

Susana Lloyd 1 July 2018 – 30 June 2019

Vanessa Hoban 1 July 2018 – 30 June 2019

Branch Council Members:

Wendy Burton 1 July 2018 – 30 June 2019

Melissa Brown 1 July 2018 – 30 June 2019

Fiona Dawes 1 July 2018 – 30 June 2019

Claudia Corradini 30 November 2018 – 30 June 2019

Rachel Backhouse 30 November 2018 – 30 June 2019

Signature of Designated Officer: 

Name and title of Designated Officer: Matthew David Daniel. Branch Secretary

Dated: 30/10/19.



The Australian Nursing & Midwifery Federation ACT Branch

Committee of Management Statement for *the Year ended 30 June 2019*

On 30 October 2019 The Branch Council of The Australian Nursing & Midwifery Federation, ACT Branch passed the following resolution in relation to the General-Purpose Financial Report (GPFR) for the year ended 30 June 2019:

The Branch 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 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);
- 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 Committee of Management were held in accordance with the rules of the organisation including the rules of a Branch concerned; and
 - ii. the financial affairs of the Reporting Unit have been managed in accordance with the rules of the organisation including the rules of a Branch concerned; and
 - iii. the financial records of the Reporting Unit have been kept and maintained in accordance with the 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 has been provided to the member or 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.

"THAT THE COMMITTEE OF MANAGEMENT OF THE ANMFACT BRANCH HAS REVIEWED AND APPROVES THE GENERAL-PURPOSE FINANCIAL REPORT FOR THE YEAR ENDING 30 JUNE 2019 AND INSTRUCTS THE BRANCH SECRETARY TO SIGN OFF ON THE APPROPRIATE DECLARATIONS."

Moved: *ATHALENE ROSBOROUGH*

Seconded: *SUSANA LLOYD*

Carried.

Signature of Designated Officer: *Matthew David Daniel*

Name and title of Designated Officer: Matthew David Daniel

Dated: *30/10/19.*

Independent Audit Report to the Members of Australian Nursing and Midwifery Federation ACT Branch

Report on the Audit of the Financial Report

Opinion

I have audited the financial report of Australian Nursing and Midwifery Federation ACT Branch (the reporting unit), which comprises the statement of financial position as at 30 June 2019, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended 30 June 2019, 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 my opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of Australian Nursing and Midwifery Federation ACT Branch as at 30 June 2019, and its financial performance and its cash flows for the year ended on that date in accordance with:

- a) the Australian Accounting Standards; and
- b) 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).

I declare that management's use of the going concern basis in the preparation of the financial statements of the reporting unit is appropriate.

Basis for Opinion

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Information Other than the Financial Report and Auditor's 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 in the operating report accompanying the financial report.

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

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In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I 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 is 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

My objective is 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 my 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, I exercise professional judgement and maintain professional scepticism throughout the audit. I 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 my 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.
- 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 the reporting unit's internal control. Evaluate the appropriateness of accounting policies used and the reasonableness of

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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 the reporting unit's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the reporting unit to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the reporting unit audit. I remain solely responsible for my audit opinion.

I 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 I identify during my audit.

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

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of section 257(7) of the RO Act, I am required to describe any deficiency, failure or shortcoming in respect of the matters referred to in section 252 and 257(2) of the RO Act.

No failures or shortcomings in respect of the matters referred to in section 252 and 257(2) of the RO Act were detected during the year.

Vincent's Audit Pty Ltd



Phillip W Miller CA

Director

Canberra, dated: 06 Nov 2019

Registration number (as registered by the Commissioner under the RO Act): AA2017/24

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Australian Nursing and Midwifery Federation ACT Branch

Financial

Statements

2018–19

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**Australian Nursing and Midwifery Federation ACT Branch
Statement of comprehensive income**

for the year ended 30 June 2019

	Notes	2019 \$	2018 \$
Revenue			
Membership subscription*		1,732,817	1,577,055
Capitation fees and other revenue from another reporting unit	3A	6,067	-
Levies	3B	-	-
Investment income	3C	86,395	74,886
Rental revenue	3D	-	-
Other revenue		2,388	7,068
Total revenue		1,827,667	1,659,009
Other Income			
Grants and/or donations	3E	-	-
Net gains from sale of assets	3F	-	647
Revenue from recovery of wages activity	3G	-	-
Total other income		-	647
Total income		1,827,667	1,659,656
Expenses			
Employee expenses	4A	1,265,542	1,041,407
Capitation fees and other expense to another reporting unit	4B	61,330	59,861
Affiliation fees	4C	21,088	13,860
Administration expenses	4D	252,825	237,259
Grants or donations	4E	8,055	3,605
Depreciation and amortisation	4F	58,893	49,041
Finance costs	4G	4,342	6,678
Legal costs	4H	59,430	13,734
Audit fees	14	9,100	9,479
Write-down and impairment of assets	4I	238,276	-
Other expenses	4J	-	-
Miscellaneous expenses	4K	78,247	94,138
Total expenses		2,057,128	1,529,062
Surplus (deficit) for the year		(229,461)	130,594
Other comprehensive income			
		-	-
Total comprehensive income for the year		(229,461)	130,594

Australian Nursing and Midwifery Federation ACT Branch

Statement of financial position

as at 30 June 2019

	Notes	2019 \$	2018 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5A	769,464	703,442
Trade and other receivables*	5B	31,981	4,006
Other current assets	5C	18,294	29,280
Total current assets		819,739	736,728
Non-current Assets			
Land and buildings	6A	895,000	1,161,764
Plant and equipment	6B	94,092	125,677
Other financial assets	6C	1,329,396	1,274,377
Total non-current assets		2,318,488	2,561,818
Total assets		3,138,227	3,298,546
LIABILITIES			
Current Liabilities			
Trade payables	7A	39,818	35,632
Other payables	7B	168,014	165,169
Employee provisions	8A	188,287	112,100
Other current liabilities	9A	50,003	-
Total current liabilities		446,122	312,901
Non-current Liabilities			
Employee provisions	8A	5,220	23,463
Other non-current liabilities	9A	-	45,661
Total non-current liabilities		5,220	69,124
Total liabilities		451,342	382,025
Net assets		2,686,885	2,916,521
EQUITY			
General funds	10A	-	-
Reserves	10A	-	-
Retained earnings (accumulated deficit)		2,686,885	2,916,521
Total equity		2,686,885	2,916,521

The above statement should be read in conjunction with the notes.

Australian Nursing and Midwifery Federation ACT Branch

Statement of changes in equity

for the year ended 30 June 2019

	Notes	Retained earnings \$	Total equity \$
Balance as at 1 July 2017		2,785,927	2,785,927
Adjustment for errors		-	-
Adjustment for changes in accounting policies		-	-
Surplus / (deficit)		130,594	130,594
Other comprehensive income		-	-
Transfer to/from funds	10A	-	-
Transfer from retained earnings		-	-
Closing balance as at 30 June 2018		2,916,521	2,916,521
Adjustment for errors		(174)	(174)
Surplus / (deficit)		(229,461)	(229,461)
Other comprehensive income		-	-
Transfer to/from funds	10A	-	-
Transfer from retained earnings		-	-
Closing balance as at 30 June 2019		2,686,885	2,686,885

The above statement should be read in conjunction with the notes.

Australian Nursing and Midwifery Federation ACT Branch

Statement of cash flows

for the year ended 30 June 2019

		2019	2018
		\$	\$
	Notes		
OPERATING ACTIVITIES			
Cash received			
Receipts from other reporting units/controlled entity(s)	11B	6,067	-
Interest		13,808	14,206
Receipts from members and others		1,945,251	1,803,981
Cash used			
Employees		(1,207,599)	(1,081,319)
Suppliers		(456,280)	(426,881)
Payment to other reporting units/controlled entity(s)	11B	(175,614)	(172,827)
Net cash from (used by) operating activities	11A	125,633	137,160
INVESTING ACTIVITIES			
Cash received			
Proceeds from sale of plant and equipment		-	7,185
Proceeds from sale of land and buildings		-	-
Other		-	-
Cash used			
Purchase of plant and equipment		(3,953)	(75,538)
Purchase of land and buildings		-	-
Other		-	-
Net cash from (used by) investing activities		(3,953)	(68,353)
FINANCING ACTIVITIES			
Cash received			
Contributed equity		-	-
Other		-	-
Cash used			
Repayment of borrowings		(55,658)	(53,322)
Other		-	-
Net cash from (used by) financing activities		(55,658)	(53,322)
Net increase (decrease) in cash held		66,022	15,483
Cash & cash equivalents at the beginning of the reporting period		703,442	687,959
Cash & cash equivalents at the end of the reporting period	5A	769,464	703,442

The above statement should be read in conjunction with the notes.

Index to the notes of the financial statements

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Note 2	Events after the reporting period
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Note 1 Summary of significant accounting policies

1.1 Basis of preparation of the financial statements

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 ACT Branch is a not-for-profit entity.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost, 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.

1.2 Comparative amounts

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

1.3 Significant accounting judgements and estimates

The following accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Property held at fair value

An independent valuation of property (land and buildings) carried at fair value was obtained on 30 June 2019. Management has reviewed this valuation and deemed it reasonable. The valuation is an estimation which would only be realised if the property is sold.

Long service leave

The liability for long service leave is recognised and measured at the present value of the estimated cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

1.4 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.

Impact on adoption of AASB 9

(a) Initial application

AASB 9 *Financial Instruments* (**AASB 9**) replaces AASB139 *Financial Instruments: Recognition and Measurement* (**AASB 139**) for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

The Australian Nursing and Midwifery Federation ACT Branch has applied AASB 9 retrospectively, with an initial application date of 1 July 2018. The Australian Nursing and Midwifery Federation ACT Branch has not restated the comparative information, which continues to be reported under AASB 139. There was no impact on opening retained profits as at 1 July 2018. Differences arising from the adoption of AASB 9 have been recognised directly in opening retained earnings and other components of equity as at 1 July 2018.

(i) Classification and measurement

Under AASB 9, debt instruments are subsequently measured at fair value through profit or loss, amortised cost, or fair value through OCI. The classification is based on two criteria: the Australian Nursing and Midwifery Federation ACT Branch business model for managing the assets; and whether the instruments' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding.

The assessment of the Australian Nursing and Midwifery Federation ACT Branch business model was made as of the date of initial application, 1 July 2018. The assessment of whether contractual cash flows on debt instruments are solely comprised of principal and interest was made based on the facts and circumstances as at the initial recognition of the assets.

The classification and measurement requirements of AASB 9 did not have a significant impact to the Australian Nursing and Midwifery Federation ACT Branch.

- Trade receivables and other non-current financial assets previously classified as loans and receivables are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. These are now classified and measured as debt instruments at amortised cost.
- Listed equity investments previously classified as AFS financial assets are now classified and measured as financial assets at fair value through profit or loss.

The Branch has not designated any financial liabilities as at fair value through profit or loss. There are no changes in classification and measurement for the Branch's financial liabilities.

In summary, upon adoption of AASB 9, the Branch applied the following required or elected reclassifications:

1 July 2018	AASB 9 measurement category			
		Fair value through profit or loss	Amortised cost	Fair value through OCI
	\$	\$	\$	\$
AASB 139 measurement category				-
Loans and receivables				
Trade and other receivables	4,006	-	4,006	-
Other current assets	29,280	-	29,280	-
Available for sale				
Other investments	1,274,377	1,274,377	-	-
	1,307,663	1,274,377	33,286	-

(ii) Impairment loss

The adoption of AASB 9 has fundamentally changed the Branch's accounting for impairment losses for financial assets by replacing AASB 139's incurred loss approach with a forward-looking ECL approach. AASB 9 requires the Branch to recognise an allowance for ECLs for all debt instruments not held at fair value through profit or loss and contract assets, i.e. those held at amortised cost and at FVTOCI.

Set out below is the reconciliation of the ending impairment allowances in accordance with AASB 139 to the opening loss allowances determined in accordance with AASB 9.

Future Australian Accounting Standards Requirements

New standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to future reporting periods that are expected to have a future financial impact on [reporting unit] include:

AASB 16 Leases (AASB 16)

AASB 16 was issued in January 2016 and it replaces AASB 117 *Leases*, AASB Interpretation 4 *Determining whether an Arrangement contains a Lease*, AASB Interpretation-115 *Operating Leases-Incentives* and AASB Interpretation 127 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*.

For NFP entities, AASB 16 will commence from financial years beginning on or after 1 January 2019. Either a full retrospective application or a modified retrospective application is required for AASB 16. The Branch plans to adopt AASB 16 on the required effective date 1 July 2020 of using modified retrospective method.

AASB 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under AASB 117. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the re-measurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting under AASB 16 is substantially unchanged from today's accounting under AASB 117. Lessors will continue to classify all leases using the same classification principle as in AASB 117 and distinguish between two types of leases: operating and finance leases.

During the financial year ended 30 June 2019, the performed a preliminary assessment of AASB 16. No significant impact is expected on adoption of AASB 16.

AASB 1058 Income of Not-for-Profit Entities (AASB 1058) and AASB 15 Revenue from Contracts with Customers (AASB 15)

AASB 1058 clarifies and simplifies the income recognition requirements that apply to not-for-profit (NFP) entities in conjunction with AASB 15. AASB 1058 and AASB 15 supersede all the income recognition requirements relating to private sector NFP entities, and the majority of income recognition requirements relating to public sector NFP entities, previously in AASB 1004 *Contributions*.

For NFP entities, both AASB 1058 and 15 will commence from financial years beginning on or after 1 January 2019. Either a full retrospective application or a modified retrospective application is required for AASB 15. The Branch plans to adopt AASB 15 on the required effective date 1 July 2019 of using modified retrospective method.

During the financial year ended 30 June 2019, the Branch performed a preliminary assessment of AASB 1058 and 15. No significant impact is expected on adoption of AASB 1058 and 15.

AASB 2017-6 Amendments to Australian Accounting Standards – Prepayment Features with Negative Compensation

The amendments to AASB 9 clarify that a financial asset passes the solely payments of principal and interest criterion regardless of the event or circumstance that causes

the early termination of the contract and irrespective of which party pays or receives reasonable compensation for the early termination of the contract.

The amendments apply retrospectively and are effective from 1 January 2019, with earlier application permitted. These amendments have no impact on the financial statements of the Branch.

AASB 2018-2 Amendments to Australian Accounting Standards – Plan Amendment, Curtailment or Settlement

The amendments to AASB 119 specify that when a plan amendment, curtailment or settlement occurs during the annual reporting period, an entity is required to:

- Determine current service cost for the remainder of the period using the actuarial assumptions used to re-measure the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event
- Determine net interest for the remainder of the period using: the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event; and the discount rate used to re-measure that net defined benefit liability (asset).

The amendments also clarify that an entity first determines any past service cost, or a gain or loss on settlement, without considering the effect of the asset ceiling. This amount is recognised in profit or loss. An entity then determines the effect of the asset ceiling after the plan amendment, curtailment or settlement. Any change in that effect, excluding amounts included in the net interest, is recognised in other comprehensive income.

The amendments apply to plan amendments, curtailments, or settlements occurring on or after the beginning of the first annual reporting period that begins on or after 1 January 2019, with early application permitted. These amendments will apply only to any future plan amendments, curtailments, or settlements of the Branch.

AASB 2018-1 Amendments to Australian Accounting Standards – Annual Improvements 2015–2017 Cycle

These improvements include:

- **AASB 11 Joint Arrangements**

A party that participates in, but does not have joint control of, a joint operation might obtain joint control of the joint operation in which the activity of the joint operation constitutes a business as defined in AASB 3. The amendments clarify that the previously held interests in that joint operation are not remeasured.

Amendment applies to transactions in which it obtains joint control on or after the beginning of the first annual reporting period beginning on or after 1 January 2019, with early application permitted.

These amendments are currently not applicable to the Branch but may apply to future transactions.

- **AASB 123 Borrowing Costs**

The amendments clarify that an entity treats as part of general borrowings any borrowing originally made to develop a qualifying asset when substantially all of the activities necessary to prepare that asset for its intended use or sale are complete.

Amendment applies for annual reporting periods beginning on or after 1 January 2019, with early application permitted. These amendments are currently not applicable to the Group but may apply to future transactions

These amendments are currently not applicable to the Branch but may apply to future transactions.

1.6 Acquisition of assets and or liabilities that do not constitute a business combination

Australian Nursing and Midwifery Federation ACT Branch did not 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 the organisation, a determination or revocation by the General Manager of the Fair Work Commission under subsections 245(1) or 249(1) of the RO Act¹.

1.7 Revenue

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

Revenue from subscriptions is accounted for on an accrual basis and is recorded as revenue in the year to which it relates.

Revenue from the sale of goods is recognised when, the risks and rewards of ownership have been transferred to the buyer, the entity retains no managerial involvement or effective control over the goods, the revenue and transaction costs incurred can be reliably measured, and it is probable that the economic benefits associated with the transaction will flow to the entity.

Donation income is recognised when it is received.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any loss allowance due to expected credit losses at each reporting date. A provision matrix that is based on historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment has been established.

Interest revenue is recognised on an accrual basis using the effective interest method.

¹ Note: if the fact that the reporting unit did not acquire any such assets or liabilities in the above circumstances is disclosed in the officer declaration statement, it is not necessary to make such disclosure here.

Rental revenue from operating leases is recognised on a straight-line basis over the term of the relevant lease.

1.9 Gains

Sale of assets

Gains and losses from disposal of assets are recognised when control of the asset has passed to the buyer.

1.10 Capitation fees and levies

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

1.11 Employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and termination benefits when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities for short-term employee benefits (as defined in AASB 119 *Employee Benefits*) and termination benefits which are expected to be settled within twelve months of the end of reporting period are measured at their nominal amounts. The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Other long-term employee benefits which are expected to be settled beyond twelve months are measured as the present value of the estimated future cash outflows to be made by the reporting unit in respect of services provided by employees up to reporting date.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Provision is made for separation and redundancy benefit payments. The Branch recognises a provision for termination as part of a broader restructuring when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations. A provision for voluntary termination is recognised when the employee has accepted the offer of termination.

1.12 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Where an asset is acquired by means of a finance lease, the asset is capitalised at either the fair value of the lease property or, if lower, the present value of minimum lease payments at the inception of the contract and a liability is recognised at the same time and for the same amount.

The discount rate used is the interest rate implicit in the lease. Leased assets are amortised over the period of the lease. Lease payments are allocated between the principal component and the interest expense.

Operating lease payments are expensed on a straight-line basis which is representative of the pattern of benefits derived from the leased assets.

Rental revenue from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

1.13 Borrowing costs

All borrowing costs are recognised in profit and loss in the period in which they are incurred.

1.14 Cash

Cash is recognised at its nominal amount. Cash and cash equivalents includes cash on hand, deposits held at call with bank, other short-term highly liquid investments with original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

1.15 Financial instruments

Financial assets and financial liabilities are recognised when a [*reporting unit*] entity becomes a party to the contractual provisions of the instrument.

1.16 Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income (**OCI**), or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Branch's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the Branch initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest' (**SPPI**) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Branch's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Branch commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in five categories:

- (Other) financial assets at amortised cost
- (Other) financial assets at fair value through other comprehensive income
- Investments in equity instruments designated at fair value through other comprehensive income
- (Other) financial assets at fair value through profit or loss
- (Other) financial assets designated at fair value through profit or loss

Financial assets at amortised cost

The Branch measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest (**EIR**) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Branch's financial assets at amortised cost includes trade receivables and other current assets.

Financial assets at fair value through profit or loss (including designated)

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial

assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

Derecognition

A financial asset is derecognised when:

- The rights to receive cash flows from the asset have expired or
- The Branch has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
 - a) the Branch has transferred substantially all the risks and rewards of the asset, or
 - b) the Branch has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Branch has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the *[reporting unit]* continues to recognise the transferred asset to the extent of its continuing involvement together with associated liability.

Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Impairment

(i) Trade receivables

For trade receivables that do not have a significant financing component, the Branch applies a simplified approach in calculating expected credit losses (**ECLs**) which requires lifetime expected credit losses to be recognised from initial recognition of the receivables.

Therefore, the Branch does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Branch has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

(ii) Debt instruments other than trade receivables

For all debt instruments other than trade receivables and debt instruments not held at fair value through profit or loss, the Branch recognises an allowance for expected credit losses using the general approach. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Branch expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognised in two stages:

- Where there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses from possible default events within the next 12-months (a 12-month ECL).
- Where there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the debt, irrespective of the timing of the default (a lifetime ECL).

The Branch considers a financial asset to be in default when internal or external information indicates that the Branch is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

1.17 Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, at amortised cost unless or at fair value through profit or loss.

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost, net of directly attributable transaction costs.

The Branch's financial liabilities include trade and other payables.

Subsequent measurement

Financial liabilities at amortised cost

After initial recognition, trade payables and interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

1.18 Contingent liabilities and contingent assets

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.

1.19 Land, buildings, plant and equipment

Asset Recognition Threshold

Purchases of land, buildings, plant and equipment are recognised initially at cost in the statement of financial position. The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

Revaluations—Land and Buildings

Following initial recognition at cost, land and buildings are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Revaluations are performed with sufficient frequency such that the carrying amount of assets do not differ materially from those that would be determined using fair values as at the reporting date.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the profit or loss except to the extent that they reverse a previous revaluation increment for that class. Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset is restated to the revalued amount.

Depreciation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful life using, in all cases, the straight-line method of depreciation. Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

	2019	2018
Land & buildings	40 years	40 years
Plant and equipment	5 to 8 years	5 to 8 years

Derecognition

An item of land, buildings, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit and loss.

1.22 Impairment of non-financial assets

All assets are assessed for impairment at the end of each reporting period to the extent that there is an impairment trigger. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the Branch were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

1.23 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the non-current asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs of disposal.

1.24 Taxation

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

Revenues, expenses and assets are recognised net of GST except:

- where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- for receivables and payables.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office is classified within operating cash flows.

1.25 Fair value measurement

The Australian Nursing and Midwifery Federation ACT Branch measures financial instruments, such as, financial assets as at fair value through the profit and loss, financial assets at fair value through OCI, and non-financial assets such as land and buildings and investment properties, at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 16A.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Australian Nursing and Midwifery ACT Branch. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Australian Nursing and Midwifery Federation ACT Branch uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1—Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2—Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3—Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Australian Nursing and Midwifery Federation ACT Branch determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as land and buildings and investment properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. For the purpose of fair value disclosures, the Australian Nursing and Midwifery Federation ACT Branch has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

1.26 Going concern

Australian Nursing and Midwifery Federation ACT Branch is not reliant on the agreed financial support of another reporting unit to continue on a going concern basis.

Australian Nursing and Midwifery Federation ACT Branch has not agreed to provide financial support to another reporting unit to ensure they can continue on a going concern basis.

Note 2 Events after the reporting period

There were no events that occurred after 30 June 2019, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of Australian Nursing and Midwifery Federation ACT Branch.

2019	2018
\$	\$

Note 3 Income

Note 3A: Capitation fees and other revenue from another reporting unit

Capitation fees:

Australian Nursing and Midwifery Federation	-	-
Subtotal capitation fees	-	-

Other revenue from another reporting unit:

Australian Nursing and Midwifery Federation	6,067	-
Subtotal other revenue from another reporting unit	6,067	-
Total capitation fees and another revenue from other reporting unit	6,067	-

Note 3B: Levies

Levies	-	-
Total levies	-	-

Note 3C: Investment income

Interest		
Deposits	14,290	13,968
Loans	-	-
Debt instruments at fair value through OCI	-	-
Return on Commonwealth Income Fund (CIF)	71,707	60,680
Dividends	398	238
Total investment income	86,395	74,886

	2019	2018
	\$	\$
Note 3D: Rental revenue		
Properties	-	-
Other	-	-
Total rental revenue	<u>-</u>	<u>-</u>

Note 3E: Grants or donations *

Grants	-	-
Donations	-	-
Total grants or donations	<u>-</u>	<u>-</u>

Note 3F: Net gains from sale of assets

Land and buildings	-	-
Plant and equipment	-	647
Intangibles	-	-
Total net gain from sale of assets	<u>-</u>	<u>647</u>

Note 3G: Revenue from recovery of wages activity

Amounts recovered from employers in respect of wages	-	-
Interest received on recovered money	-	-
Total revenue from recovery of wages activity	<u>-</u>	<u>-</u>

2019	2018
\$	\$

Note 4 Expenses

Note 4A: Employee expenses*

Holders of office:

Wages and salaries	182,333	182,617
Superannuation	25,228	23,648
Leave and other entitlements	15,063	(59,870)
Separation and redundancies	-	89,250
Other employee expenses	-	-
Subtotal employee expenses holders of office	222,624	235,645

Employees other than office holders:

Wages and salaries	801,925	630,813
Superannuation	95,723	72,262
Leave and other entitlements	42,880	19,957
Separation and redundancies	-	-
Other employee expenses	102,390	82,730
Subtotal employee expenses employees other than office holders	1,042,918	805,762
Total employee expenses	1,265,542	1,041,407

Note 4B: Capitation fees *

Capitation fees

Australian Nursing and Midwifery Federation	61,330	59,861
Subtotal capitation fees	61,330	59,861

Note 4C: Affiliation fees

Unions ACT	21,088	13,860
Total affiliation fees/subscriptions	21,088	13,860

	2019	2018
	\$	\$

Note 4D: Administration expenses

Total paid to employers for payroll deductions of membership subscriptions*	-	-
Compulsory levies*	-	-
Fees/allowances - meeting and conferences*	-	-
Conference and meeting expenses*	13,205	15,040
Contractors/consultants	-	-
Property expenses	43,759	41,402
Office expenses	157,745	127,653
Information communications technology	38,116	53,164
Other	-	-
Subtotal administration expense	252,825	237,259
Operating lease rentals:		
Minimum lease payments	-	-
Total administration expenses	252,825	237,259

Note 4E: Grants or donations

Grants:		
Total expensed that were \$1,000 or less	2,922	-
Total expensed that exceeded \$1,000	-	3,355
Donations:		
Total expensed that were \$1,000 or less	-	250
Total expensed that exceeded \$1,000	5,133	-
Total grants or donations	8,055	3,605

Note 4F: Depreciation and amortisation

Depreciation		
Land & buildings	28,488	28,488
Property, plant and equipment	30,405	20,553
Total depreciation	58,893	49,041

	2019	2018
	\$	\$

Note 4G: Finance costs

Overdrafts/loans	4,342	6,678
Total finance costs	4,342	6,678

Note 4H: Legal costs

Litigation	59,430	-
Other legal costs	-	13,733
Total legal costs	59,430	10,733

Note 4I: Write-down and impairment of assets

Asset write-downs and impairments of:		
Land and buildings - 4I (i)	238,276	-
Total write-down and impairment of assets	238,276	-

4I (i) This refers to the devaluation of the properties as a result of latest valuation conducted by real estate experts.

Note 4J: Other expenses

Penalties - via RO Act or the <i>Fair Work Act 2009</i> *	-	-
Total other expenses	-	-

Note 4K: Miscellaneous expenses

Recruitment marketing	11,433	22,233
Journal fees	26,287	46,565
Federal office aged care campaign	2,397	694
Others	38,130	24,646
Total misc. expenses	78,247	94,138

Note 5 Current Assets

	2019	2018
	\$	\$

Note 5A: Cash and cash equivalents

Cash at bank	596,585	394,911
Cash on hand	140	206
Short term deposits	172,739	308,325
Other	-	-
Total cash and cash equivalents	769,464	703,442

Note 5B: Trade and other receivables

Receivables from other reporting unit[s]*

Australian Nursing and Midwifery Federation	2,074	-
Total receivables from other reporting unit[s]	2,074	-

Less allowance for expected credit losses*

Australian Nursing and Midwifery Federation	-	-
Total allowance for expected credit losses	-	-
Receivable from other reporting unit[s] (net)	2,074	-

Other receivables:

GST receivable	-	-
Other	29,907	4,006
Total other receivables	31,981	4,006
Total trade and other receivables (net)	31,981	4,006

The movement in the allowance for expected credit losses of trade and other receivables is as follows:

At 1 July	31,981	4,006
Provision for expected credit losses	-	-
Write-off	-	-
At 30 June	31,981	4,006

Note 5C: Other current assets

Prepayments	18,294	29,280
Total other current assets	18,294	29,280

Note 6 Non-current Assets

	2019	2018
	\$	\$
Note 6A: Land and buildings		
Land and buildings:		
fair value	1,245,666	1,245,666
accumulated depreciation	(350,666)	(83,902)
Total land and buildings	895,000	1,161,764

Reconciliation of opening and closing balances of land and buildings

As at 1 July		
Gross book value	1,245,666	1,245,666
Accumulated depreciation and impairment	(83,902)	(55,414)
Net book value 1 July	1,161,764	1,190,252
Additions:		
By purchase	-	-
From acquisition of entities (including restructuring)	-	-
Impairments		
Depreciation expense	(28,488)	(28,488)
Other movement	-	-
Disposals:		
From disposal of entities (including restructuring)	-	-
Other	-	-
Net book value 30 June	895,000	1,161,764
Net book value as of 30 June represented by:		
Gross book value	1,245,666	1,245,666
Accumulated depreciation and impairment	(350,666)	(83,902)
Net book value 30 June	895,000	1,161,764

The revalued land and buildings consist of land and buildings located at Dundas Court, Phillip ACT. Management determined that these constitute one class of asset under AASB 13, based on the nature, characteristics and risks of the property.

Fair value of the properties was determined by using market comparable method. This means that valuations performed by the valuer are based on active market prices, significantly adjusted for the difference in the nature, location or condition of the specific property. As at the date of revaluation 30 June 2019, the properties' fair values are based on valuations performed by Knight Frank an accredited independent valuer.

Note 6B: Plant and equipment

	2019	2018
	\$	\$
Plant and equipment:		
at cost	162,573	171,890
accumulated depreciation	(68,481)	(46,223)
Total plant and equipment	94,092	125,677

Reconciliation of opening and closing balances of plant and equipment

As at 1 July		
Gross book value	171,890	119,332
Accumulated depreciation and impairment	(46,223)	(41,742)
Net book value 1 July	125,677	77,590
Additions:		
By purchase	3,953	75,538
From acquisition of entities (including restructuring)	-	-
Impairments	-	-
Depreciation expense	(30,405)	(20,553)
Other movement	-	-
Disposals: computer equipment	(5,133)	(6,898)
Net book value 30 June	94,092	125,677
Net book value as of 30 June represented by:		
Gross book value	162,573	171,890
Accumulated depreciation and impairment	(68,481)	(46,223)
Net book value 30 June	94,092	125,677

Note 6C: Other financial assets**Financial assets at fair value through profit or loss**

Available for sale investments	1,323,531	1,268,390
- Commonwealth Income Fund (CIF)		
- Shares	5,864	5,987
Total other financial assets	1,329,396	1,274,377

Note 7 Current Liabilities**Note 7A: Trade payables**

Trade creditors and accruals	39,818	35,632
Subtotal trade creditors	31,818	35,632

	2019	2018
	\$	\$
Australian Nursing and Midwifery Federation	-	-
Subtotal payables to other reporting unit[s]	<u>-</u>	<u>-</u>
Total trade payables	<u>39,818</u>	<u>35,632</u>

Settlement is usually made within 30 days.

Note 7B: Other payables

Payable to employers for making payroll deductions of membership subscriptions	-	-
Legal costs		
Litigation	-	-
Other legal costs	-	-
Prepayments received/unearned revenue	94,640	47,692
GST payable	35,686	27,470
Other	37,688	30,007
Total other payables	<u>168,014</u>	<u>105,169</u>

Total other payables are expected to be settled in:

No more than 12 months	168,014	105,169
More than 12 months	-	-
Total other payables	<u>168,014</u>	<u>105,170</u>

Note 8 Provisions

Note 8A: Employee provisions

Office holders:

Annual leave	23,486	20,937
Long service leave	25,730	15,400
Separations and redundancies	-	-
Other	2,184	-

<i>Subtotal employee provisions—office holders</i>	51,340	36,337
Employees other than office holders:		
Annual leave	71,940	55,695
Long service leave	61,467	43,531
Separations and redundancies	-	-
Other	8,760	-
<i>Subtotal employee provisions—employees other than office holders</i>	136,947	99,226
Total employee provisions	193,507	135,563
Current	188,287	112,100
Non-current	5,220	23,463
<i>Total employee provisions</i>	193,507	135,563

Note 9 Other Liabilities

Financial liabilities - Current	50,003	60,000
Financial liabilities – Non-current	-	45,661
Total other non-current liabilities	50,003	105,661

	2019	2018
	\$	\$
Note 10: Other specific disclosures - funds		
Compulsory levy/voluntary contribution fund	-	-
Other fund(s) required by rules	-	-

Note 11 Cash Flow

Note 11A: Cash flow reconciliation

Reconciliation of cash and cash equivalents as per balance sheet to cash flow statement:

Cash and cash equivalents as per:

Cash flow statement	769,464	703,442
Balance sheet	769,464	703,442
Difference	<u>-</u>	<u>-</u>

Reconciliation of profit/(deficit) to net cash from operating activities:

Profit/(deficit) for the year	(224,241)	130,594
Adjustments for non-cash items		
Depreciation/amortisation	58,893	49,401
Net write-down of non-financial assets	238,276	-
Fair value movements in property	(71,707)	(60,681)
(Gain)/loss on disposal of assets	5,133	(647)
Changes in assets/liabilities		
(Increase)/decrease in net receivables	(27,975)	(301)
(Increase)/decrease in prepayments	10,986	6,670
Increase/(decrease) in supplier payables	(15,603)	6,844
Increase/(decrease) in other payables	99,148	45,191
Increase/(decrease) in employee provisions	52,723	(39,912)
Increase/(decrease) in other provisions	-	-
Net cash from (used by) operating activities	<u>125,633</u>	<u>137,159</u>

Note 11B: Cash flow information*

	2019	2018
	\$	\$
Cash inflows		
Australian Nursing and Midwifery Federation	<u>6,067</u>	-
Total cash inflows	<u>6,067</u>	-
Cash outflows		
Australian Nursing and Midwifery Federation	<u>175,614</u>	172,827
Total cash outflows	<u>175,614</u>	172,827

Note 12 Contingent Liabilities, Assets and Commitments**Note 12A: Commitments and contingencies**

Included in the financial statements as:

Current interest-bearing loans and borrowings	50,003	60,000
Non-current interest-bearing loans and borrowings	-	45,661
Total included in interest-bearing loans and borrowings	<u>50,003</u>	<u>105,661</u>

2019	2018
\$	\$

Note 13 Related Party Disclosures

Note 13A: Related party transactions for the reporting period

The following table provides the total amount of transactions that have been entered into with related parties for the relevant year.

Revenue received from Australian Nursing and Midwifery Federation – Federal Office includes the following:

Reimbursed expenses	6,067	-
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Expenses paid to Australian Nursing and Midwifery Federation – Federal Office includes the following:

Capitation fees	61,330	59,861
Journal costs	26,287	46,565
Payroll tax	70,148	62,181
Campaigns	6,397	2,512
Conference costs/other costs	1,074	1,015
Database	575	693
CALMA	114	-
Gift	102	-

Expenses paid to Unions ACT includes the following:

Affiliation fees	21,088	13,860
Sponsorships	2,682	-
Campaigns	4,545	227

Amounts owed to Australian Nursing and Midwifery Federation – Federal Office include the following:

Payroll tax	-	4,690
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Loans from/to Australian Nursing and Midwifery Federation – Federal Office includes the following:

Financial liabilities	50,003	105,661
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Assets transferred from/to Australian Nursing and Midwifery Federation – Federal Office includes the following:

Not applicable	-	-
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Terms and conditions of transactions with related parties

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. For the year ended 30 June 2019, the Australian Nursing and Midwifery Federation ACT Branch has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2018: \$Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

No expected credit losses have been raised in relation to any outstanding balances, and no expense has been recognised in respect of expected credit losses due from loan to a related party (See Note 6G).

2019	2018
\$	\$

Note 13B: Key management personnel remuneration for the reporting period

Short-term employee benefits

Salary (including annual leave taken)	182,333	182,617
Annual leave accrued	23,381	20,937
Performance bonus	-	-

Total short-term employee benefits	205,714	203,554
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Post-employment benefits:

Superannuation	25,228	23,648
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Total post-employment benefits	25,228	23,648
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Other long-term benefits:

Long-service leave	25,730	15,400
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Total other long-term benefits	25,730	15,400
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Termination benefits	-	89,250
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Total	256,672	331,852
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Note 14 Remuneration of Auditors

Value of the services provided

Financial statement audit services	9,100	9,479
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Total remuneration of auditors	9,100	9,479
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No other services were provided by the auditors of the financial statements.

2019	2018
\$	\$

Note 15 Financial Instruments

The Branch's financial instruments consist mainly of deposits with banks, short and long-term investments, accounts receivables and accounts payable.

The main risks arising from the Branch's financial instruments are liquidity risk, credit risk and market price risk. The Branch does not use derivative instruments to manage the risks associated with its financial instruments.

The Branch Council have overall responsibility for risk management, including risks associated with financial instruments.

This note presents information about the Branch's exposure to liquidity, credit and market price risk, and its objectives and processes for measuring and managing risk.

Note 15A: Categories of Financial Instruments

Financial assets

Fair value through profit or loss:

Managed investments	1,323,531	1,268,391
Total	1,323,531	1,268,391

At amortised cost:

Trade receivables	31,981	-
Total	31,981	-

Short and long-term deposits	314,937	308,325
Total	-	-

Loans and receivables:		
Trade receivables	-	4,006
Total	-	-

Available for sale investments:		
Listed investments	5,864	5,986
Total	-	-

Carrying amount of financial assets	1,676,313	1,583,102
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Financial liabilities

Other financial liabilities:

Trade payables	39,818	35,632
Financial liabilities	50,003	105,661
Total	89,821	141,293

Carrying amount of financial liabilities	89,821	141,293
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	2019 \$	2018 \$
Note 15B: Net income and expense from financial assets		
Held-to-maturity		
Interest revenue	14,290	14,151
Exchange gains/(loss)	-	-
Impairment	-	-
Gain/loss on disposal	-	-
Net gain/(loss) held-to-maturity	14,290	14,151
Loans and receivables/amortised cost		
Interest revenue	-	-
Exchange gains/(loss)	-	-
Impairment	-	-
Gain/loss on disposal	-	-
Net gain/(loss) from loans and receivables	-	-
Available for sale		
Interest revenue	-	-
Dividend revenue	398	238
Exchange gains/(loss)	-	-
Gain/loss recognised in equity	-	-
Amounts reversed from equity:		
Impairment	-	-
Fair value changes reversed on disposal	-	-
Gain/loss on disposal	-	-
Net gain/(loss) from available for sale	-	-
Financial assets at fair value through profit and loss		
Held for trading:		
Change in fair value	71,707	60,681
Interest revenue	-	-
Dividend revenue	-	-
Exchange gains/(loss)	-	-
Total held for trading	71,707	60,681
Designated as fair value through profit and loss:		
Change in fair value	-	-
Interest revenue	-	-
Dividend revenue	-	-
Exchange gains/(loss)	-	-
Total designated as fair value through profit and loss	71,707	60,681
Net gain/(loss) on financial assets at fair value through profit and loss	86,395	74,878
Sub-total net income/(expense) from financial assets	86,395	74,878

	2019	2018
	\$	\$
Sub-total net income(expense) from financial assets carried forward	-	-
Financial assets at fair value through other comprehensive income		
Interest revenue	-	-
Exchange gains/(loss)	-	-
Impairment	-	-
Gain/(loss) on disposal	-	-
Total financial assets at fair value through other comprehensive income	-	-
Net income/(expense) from financial assets	-	-

Note 15C: Net income and expense from financial liabilities

At amortised cost		
Interest expense	6,678	6,678
Exchange gains/(loss)	-	-
Gain/loss on disposal	-	-
Net gain/(loss) financial liabilities - at amortised cost	6,678	6,678
Fair value through profit and loss		
Held for trading:		
Change in fair value	-	-
Interest expense	-	-
Exchange gains/(loss)	-	-
Total held for trading	-	-
Designated as fair value through profit and loss:		
Change in fair value	-	-
Interest expense	-	-
Total designated as fair value through profit and loss	-	-
Net gain/(loss) at fair value through profit and loss	-	-
Net gain/(loss) from financial liabilities	6,678	6,678

2019 2018
\$ \$

Note 15D: Credit risk

The Branch's maximum exposure to credit risk is limited to the carrying amount of financial assets and liabilities recognised at the reporting date, as summarised below.

The following table illustrates the entity's gross exposure to credit risk, excluding any collateral or credit enhancements.

Financial assets

Cash and cash equivalents	769,464	703,443
Trade and other receivables	31,981	4,006
Investments	1,329,396	1,274,378
Other assets	18,294	29,280
Total	2,149,135	2,011,107

Financial liabilities

Trade payables	39,818	35,632
Other payables	168,014	105,661
Total	207,832	198,770

Set out below is the information about the credit risk exposure on financial assets using a provision matrix:

30 June 2019	Trade and other receivables					
	Days past due					
	Current	<30 days	30-60 days	61-90 days	>91 days	Total
	\$	\$	\$	\$	\$	\$
Expected credit loss rate	-%	-%	-%	-%	-%	
Estimate total gross carrying amount at default	31,981	31,981	-	-	-	31,981
Expected credit loss			-	-	-	-

30 June 2018	Trade and other receivables					
	Days past due					
	Current	<30 days	30-60 days	61-90 days	>91 days	Total
	\$	\$	\$	\$	\$	\$
Expected credit loss rate	-%	-%	-%	-%	-%	
Estimate total gross carrying amount at default	4,006	4,006	-	-	-	4,006
Expected credit loss			-	-	-	-

The Branch's maximum exposure to credit risk for the components of the statement of financial position at 30 June 2019 and 2018 is the carrying amounts as illustrated in Note 15D.

Note 15E: Liquidity risk

Liquidity risk is the risk that the Branch will not be able to fund its obligations as they fall due. The Branch manages liquidity risk with an adequate level of assets on demand

Contractual maturities for financial liabilities 2019

	On Demand	< 1 year	1– years	2	2– years	5	>5 years	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Trade payables	39,818							39,818
Other payables	168,014							168,014
Financial liabilities	50,003		-		-		-	50,003
Total	257,835		-		-		-	257,835

Contractual maturities for financial liabilities 2018

	On Demand	< 1 year	1– years	2	2– years	5	>5 years	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Trade payables	35,632	-	-		-		-	35,632
Other payables	105,169	-	-		-		-	105,169
Financial liabilities	60,000	45,661	-		-		-	105,661
Total	200,801	45,661	-		-		-	246,462

Note 15F: Market risk

Market risks generally include interest rate risk, price risk, and currency risk. The Branch is exposed mainly to interest rate risk in relation to the returns received from its cash and cash equivalents and managed investments. All are domestic investments so there are not currency risks in relation to those investments held by the Branch.

Interest rate risk

The method and assumption used for sensitivity analysis for 2019 and 2018 are the same and illustrate the effect that a 2% change in interest rates will have on the Branch's profit and loss and equity for both years. The change is equivalent to the approximate CPI variation during each year.

Sensitivity analysis of the risk that the entity is exposed to for 2019

	Risk variable	Change in risk variable %	Effect on Profit and loss \$	Equity \$
Interest rate risk - Cash and cash equivalents	2%	[+ Rate]	15,389	15,38
Interest rate risk - Managed investments	2%	[- Rate]	26,588	26,588

Sensitivity analysis of the risk that the entity is exposed to for 2018

	Risk variable	Change in risk variable %	Effect on Profit and loss \$	Equity \$
Interest rate risk	2%	[+ Rate]	14,069	14,069
Interest rate risk	2%	[- Rate]	25,488	25,488

Note 15H: Changes in liabilities arising from financing activities

	1 July 2018	Cash flows	Reclassifi ed as part of disposal group	Foreign exchange movement	Changes in fair values	New Leases	Other	30 June 2019
	\$	\$	\$	\$	\$	\$	\$	\$
Current interest-bearing loans and borrowings (excluding items listed below)	105,661	(55,658)	-	-	-	-	-	50,003
Current obligations under finance leases and hire purchase contracts	-	-	-	-	-	-	-	-
Non-current interest-bearing loans and borrowings (excluding items listed below)	-	-	-	-	-	-	-	-
Non-current obligations under finance leases and hire purchase contracts	-	-	-	-	-	-	-	-
Dividends Payable	-	-	-	-	-	-	-	-
Derivatives	-	-	-	-	-	-	-	-
Total liabilities from financing activities	158,983	(55,658)	-	-	-	-	-	50,003

	1 July 2017	Cash flows	Reclass ified as part of dispo sal group	Foreign exchange movement	Changes in fair values	New Leases	Other	30 June 2018
	\$	\$	\$	\$	\$	\$	\$	\$
Current interest-bearing loans and borrowings (excluding items listed below)	158,983	(53,322)	-	-	-	-	-	105,661
Current obligations under finance leases and hire purchase contracts	-	-	-	-	-	-	-	-
Non-current interest-bearing loans and borrowings (excluding items listed below)	-	-	-	-	-	-	-	-
Non-current obligations under finance leases and hire purchase contracts	-	-	-	-	-	-	-	-
Dividends Payable	-	-	-	-	-	-	-	-
Derivatives	-	-	-	-	-	-	-	-
Total liabilities from financing activities	158,983	(53,322)	-	-	-	-	-	105,661

The 'Other' column includes the effect of reclassification of non-current portion of interest-bearing loans and borrowings, including obligations under finance leases and hire purchase contracts to current due to the passage of time, the accrual of special dividends that were not yet paid at the year-end, and the effect of accrued but not yet paid interest on interest-bearing loans and borrowings. Australian Nursing and Midwifery Federation ACT Branch classifies interest paid as cash flows from operating activities.

Note 16 Fair Value Measurement

Note 16A: Financial assets and liabilities

Management of the reporting unit assessed that [cash, trade receivables, trade payables, and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of financial assets and liabilities is included at the amount which the instrument could be exchanged in a current transaction between willing parties. The following methods and assumptions were used to estimate the fair values:

- Fair values of the reporting unit's interest-bearing borrowings and loans are determined by using a discounted cash flow method. The discount rate used reflects the issuer's borrowing rate as at the end of the reporting period. The own performance risk as at [year-end date] was assessed to be insignificant.
- Fair value of available-for-sale financial assets is derived from quoted market prices in active markets.
- Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the [reporting unit] based on parameters such as interest rates and individual credit worthiness of the customer. Based on this evaluation, allowances are taken into account for the expected losses of these receivables. As at [year-end reporting date] the carrying amounts of such receivables, net of allowances, were not materially different from their calculated fair values.

The following table contains the carrying amounts and related fair values for the Branch's financial assets and liabilities:

	Carrying amount 2019 \$	Fair value 2019 \$	Carrying amount 2018 \$	Fair value 2018 \$
Financial assets				
Cash and cash equivalents	769,464	769,464	703,464	703,442
Investments	1,329,396	1,329,396	1,274,377	1,274,377
Trade and other receivables	31,981	31,981	4,006	4,006
Total	2,130,841	2,130,841	1,981,847	1,981,847-
Financial liabilities				
Trade payables	39,818	39,818	35,632	35,632
Financial liabilities	50,003	50,003	105,661	105,661
Total	89,821	89,821	141,293	141,293

Note 16B: Financial and non-financial assets and liabilities fair value hierarchy

The following tables provide an analysis of financial and non-financial assets and liabilities that are measured at fair value, by fair value hierarchy.

Fair value hierarchy – 30 June 2019

	Date of valuation	Level 1	Level 2	Level 3
Assets measured at fair value		\$	\$	\$
Managed investments	30/06/2019	1,329,396	-	-
Total		1,329,396	-	-

Fair value hierarchy – 30 June 2018

	Date of valuation	Level 1	Level 2	Level 3
Assets measured at fair value		\$	\$	\$
Managed investments	30/06/2018	1,274,378	-	-
Total		1,274,378	-	-

Note 18 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).



The Australian Nursing & Midwifery Federation – ACT Branch

Officer Declaration Statement

I, Matthew David Daniel being the Branch Secretary of The Australian Nursing & Midwifery Federation, ACT Branch, declare that the following activities did not occur during the reporting period ending 30 June 2019.

The reporting unit did not:

(Note: delete items that appear elsewhere in the audited report)

- 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 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 compulsory levies
- pay a grant that exceeded \$1,000
- pay a donation that was \$1,000 or less
- pay separation and redundancy to holders of office
- pay separation and redundancy to employees (other than holders of office)
- pay legal costs relating to other legal matters
- pay a penalty imposed under the RO Act or the Fair Work Act 2009
- 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



Australian
Nursing &
Midwifery
Federation

AUSTRALIAN CAPITAL TERRITORY

- have a separation and redundancy provision in respect of holders of office
- have other employee provisions in respect of 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
- have a balance within the general fund
- have another entity administer the financial affairs of the reporting unit
- make a payment to a former related party of the reporting unit

Signed by the officer: *Matthew A. O.*

Dated: *30/10/19*



2 July 2019

Matthew Daniel
Branch Secretary
Australian Nursing and Midwifery Federation-Australian Capital Territory Branch
Sent via email: anmfact@anmfact.org.au

Dear Matthew Daniel,

**Re: Lodgement of Financial Report - FR2019/202
*Fair Work (Registered Organisations) Act 2009 (the RO Act)***

The financial year of the Australian Nursing and Midwifery Federation-Australian Capital Territory Branch (the reporting unit) ended on 30 June 2019. This is a courtesy letter to remind you of the reporting unit's obligations regarding financial reporting.

Loans Grants and Donations Statement

The reporting unit is required to lodge a statement showing the relevant particulars in relation to each loan, grant or donation of an amount exceeding \$1,000 for the reporting unit during its financial year. Section 237 of the RO Act requires this statement to be lodged with the Registered Organisations Commission (the ROC) within 90 days of the end of the reporting unit's financial year, that is on or before 28 September 2019.

The attached fact sheet *Loans Grants and Donations* (FS 009) summarises the requirements of the Loans Grants and Donations Statement. A sample statement of loans, grants or donations is available on our [website](#).

It should be noted that s.237 is a civil penalty provision. If a loan, grant or donation over \$1000 has been made, failure to lodge a statement of loans, grants and donations (including failure to lodge on time) may result in legal proceedings being issued with the possibility of a pecuniary penalty (up to \$105,000 for each contravention for a body corporate and up to \$21,000 for each contravention for an individual) being imposed upon your organisation and/or an officer whose conduct led to the contravention.

Financial report

The RO Act sets out a particular chronological order in which your financial report must be prepared, audited, provided to members, presented to a meeting and then lodged with the ROC. The attached document *Summary of Financial Reporting timelines* (FS 008) summarises these requirements.

We emphasise that the reporting unit is required to present its audited financial report to a meeting (either of members or of the committee of management, depending on your rules) no later than 31 December 2019 (s.266). The full financial report must be lodged with the ROC within 14 days of that meeting (s.268).

When assessing your financial report, we will continue to focus closely on timelines as well as how loans, grants and donations are reported. The financial report must break down the amounts of grants and donations and these figures will be compared to the loans, grants and donations statement (see attached *Loans Grants and Donations* fact sheet FS 009).

You can visit our website for more information regarding [financial reporting](#), and fact sheets regarding [financial reporting processes and requirements](#). A model set of financial statements developed by the ROC is also available on our website. It is not obligatory to use this model but it is a useful resource to ensure compliance with the RO Act, the Reporting Guidelines and the Australian Accounting Standards.

It should be noted that s.268 of the RO Act is a civil penalty provision. Failure to lodge the full financial report (including failure to lodge on time) may result in legal proceedings being issued with the possibility of a pecuniary penalty (up to \$105,000 for each contravention for a body corporate and up to \$21,000 for each contravention for an individual) being imposed upon your organisation and/or an officer whose conduct led to the contravention (s.268).

Auditor's report

When assessing the financial report we will also focus on the structure and content of the auditor's report to ensure that it complies with the revisions made to the Auditing Standards which came into effect from 15 December 2016. Please find [here](#) a link to guidance note *Illustrative Auditor's Report* (GN 004) relating to these requirements (which can also be located on our website).

REMINDER

YOUR AUDITOR MUST BE REGISTERED (s.256)

You must ensure that your auditor is registered by the Registered Organisations Commissioner. A list of registered auditors is available on our [website](#).

Contact

Should you require any clarification in relation to the above, please email regorgs@roc.gov.au.

Yours faithfully,

Kylie Ngo
Registered Organisations Commission



Fact sheet

Summary of financial reporting timelines – s.253 financial reports

General Information:

- The **full report** consists of the General Purpose Financial Report, Committee of Management Statement, Operating report, s.255(2A) Report and signed Auditors' Report
- For an explanation of each of the steps below see our [Fact sheet—financial reporting process](#).

STEP 1:
Reporting unit must prepare the General Purpose Financial Report, Committee of Management Statement, s.255(2A) Report and Operating Report as soon as practicable after the end of the financial year:



STEP 2:
Committee of Management statement – resolution to be passed by the Committee of Management in relation to the General Purpose Financial Report (**1st meeting**)



STEP 3:
Registered Auditor to prepare and sign the Auditor's Report and provide to the Reporting unit **within a reasonable timeframe**

IF RULES PROVIDE FOR PRESENTATION OF FULL REPORT
AT GENERAL MEETING OF MEMBERS
(this is the default process in the RO Act)

STEP 4:
Provide **full report** to members **at least 21 days before the General Meeting**



STEP 5:
Present **full report** to a General Meeting of Members within 6 months of the reporting unit's end of financial year (**2nd meeting**)



STEP 6:
Prepare and sign the designated officer's certificate then lodge **full report** and the designated officer's certificate with the ROC within 14 days of the 2nd meeting

IF RULES PROVIDE FOR PRESENTATION OF FULL REPORT AT
COMMITTEE OF MANAGEMENT MEETING
(Special rules must be in the rulebook to use this process)

STEP 4:
Provide **full report** to members **within 5 months of the reporting unit's end of financial year**



STEP 5:
Present **full report** to Committee of Management Meeting within 6 months of the reporting unit's end of financial year (**2nd meeting**)



STEP 6:
Prepare and sign the designated officer's certificate then lodge **full report** and the designated officer's certificate with the ROC **within 14 days of the 2nd meeting**

Misconceptions

Over the years, staff of the Commission have noted that there are some common misunderstandings made in relation to the Financial Reporting Process. They include:

Misconception	Requirement
<p>x The Committee of Management statement is just copied from the Reporting Guidelines</p>	<p>✓ The Committee of Management statement must have the date of the Committee of Management resolution recorded upon it and it must be signed and dated BEFORE the auditor signs their report</p> <p>Further, if any of the statements within it need to be modified to suit the reporting unit (for instance not holding meetings) these changes must also be made</p>
<p>x The Auditor's Report does not need to be signed until just before it is lodged with the ROC</p>	<p>✓ The Auditor's Report must be signed and dated BEFORE the full report (including the Auditor's Report) is sent to members and presented to the second meeting</p>
<p>x The Designated Officer's Certificate must be signed before the report is sent to members</p>	<p>✓ The Designated Officer's Certificate declares what the reporting unit HAS ALREADY DONE to provide the report to members and present it to the meeting. It must be signed and dated AFTER sending the report to members and the second meeting</p>
<p>x Documents can be dated when they should have been signed or when the events in the document occurred</p>	<p>✓ Documents must always be dated at the date they are actually signed by an officer or auditor</p>
<p>x Any auditor can audit a financial report</p>	<p>✓ Only registered auditors can audit the financial report</p>
<p>x The Committee of Management statement can be signed at any time</p>	<p>✓ The resolution passing the Committee of Management Statement must occur and the statement signed and dated BEFORE the auditor's report is signed and dated</p>
<p>x Any reporting unit can present the Full Report to a second COM meeting</p>	<p>✓ Only reporting units with a 5% rule in their rulebook are able to present their report to a second Committee of Management Meeting. Otherwise, it must be presented to a General Meeting of members</p>
<p>x Everything can be done at one Committee of Management meeting</p>	<p>✓ If the rules allow for presenting the report to the Committee of Management, there must still be <u>two meetings</u>. The first meeting resolves the Committee of Management statement (including signing and dating it). Between the two meetings the Auditor's report is signed and dated. Only then can the full report be presented to the second Committee of Management meeting (if the rules allow)</p>
<p>x The reporting unit has 6 months and 14 days to lodge their financial report with the ROC</p>	<p>✓ The reporting unit must lodge the financial report within 14 days of the second meeting</p>

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This fact sheet is not intended to be comprehensive. It is designed to assist in gaining an understanding of the Registered Organisations Commission and its work. The Registered Organisations Commission does not provide legal advice.



Fact sheet

Loans, Grants & Donations

The Loans, Grants & Donations Requirements

The *Fair Work (Registered Organisations) Act 2009* (the RO Act) requires an organisation or branch to lodge a loans, grants and donations statement (the statement) within **90 days** of the ending of the financial year.

Under the Commissioner's Reporting Guidelines, a reporting unit's General Purpose Financial Report (the financial report) must break down the amounts of grants and donations (see below). The figures in the financial report will be compared to the loans, grants and donations statement.

The Loans, Grants & Donations Statement

Section 237 of the RO Act applies to every loan, grant and donation made by an organisation or branch during the financial year that exceeds \$1000. The following information must be supplied to the Registered Organisations Commission (the ROC) for each relevant loan, grant or donation:

- the amount,
- the purpose,
- the security (if it is a loan),
- the name and address of the person to whom it was made,* and
- the arrangements for repaying the loan.*

*The last two items are not required if the loan, grant or donation was made to relieve a member of the organisation (or their dependent) from severe financial hardship.

The statement must be lodged within 90 days of the end of the financial year and the ROC has a [Template Loans, Grants and Donations Statement](#) on its website. The ROC encourages branches and organisations to lodge the statement even if all of the figures are NIL.

Common misconceptions

Over the years, staff of the Commission have noted that there are some common misunderstandings made in relation to the Statement. They include:

Misconception	Requirement
✘ Only reporting units must lodge the Statement.	✔ All branches and organisations, regardless of whether they lodge a financial report, must lodge the statement within 90 days of the end of the financial year. An organisation cannot lodge a single statement to cover all of its branches.
✘ Employees can sign the Statement.	✔ The statement must be signed by an elected officer of the relevant branch.
✘ Statements can be lodged with the financial report.	✔ The deadline for the statement is much shorter (90 days) and if it is lodged with the financial report it is likely to be late.

Grants & Donations within the Financial Report

Item 14(e) of the Commissioner's Reporting Guidelines requires the reporting unit to separate the line items relating to grants and donations into grants or donations that were \$1000 or less and those that exceeded \$1000.

As such, the note in the financial report relating to grants and donations will have four lines.

In the [ROC's Model Statements](#) the note appears as follows:

Note 4E: Grants or donations*

	2017	2016
Grants:		
Total expensed that were \$1,000 or less	-	-
Total expensed that exceeded \$1,000	-	-
Donations:		
Total expensed that were \$1,000 or less	-	-
Total expensed that exceeded \$1,000	-	-
Total grants or donations	-	-

The Commissioner's Reporting Guidelines requires that these line items appear in the financial statements, the notes or in the officer's declaration statement, even if the figures are NIL.

Implications for filing the Financial Report

During their review of the financial report staff of the ROC may confirm that the figures in the financial report match the disclosures made in the statement. Any inconsistencies in these figures will be raised with the organisation or branch for explanation and action.

This may involve lodging an amended loans, grants or donations statement. Any failure to lodge a loans, grants or donations statement or lodging a statement that is false or misleading can attract civil penalties under the RO Act.

If a reporting unit did not fully comply with these requirements in their last financial report, its filing letter will have included a statement reminding the reporting unit of its obligations.

It is strongly recommended that all reporting units review their filing letters from the previous financial year to ensure any targeted concerns are addressed in their latest financial report. Failure to address these individual concerns may mean that a financial report cannot be filed.

Previous financial reports and filing letters are available from the website.

Further information

If you have any further questions relating to the loan, grant and donation disclosure requirements in the statement or the financial report, please contact the ROC on regorgs@roc.gov.au