

9 January 2017

Mr Brett Holmes
Secretary, New South Wales Branch
Australian Nursing and Midwifery Federation

By email: gensec@nswnurses.asn.au

Dear Mr Holmes

Re: Lodgement of Financial Statements and Accounts – Australian Nursing and Midwifery Federation, New South Wales Branch - for year ended 30 June 2016 (FR2016/314)

I refer to the financial report for the New South Wales Branch of the Australian Nursing and Midwifery Federation. The report was lodged with the Fair Work Commission on 20 December 2016.

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

Please note that the financial report for the year ending 30 June 2017 may be subject to an advanced compliance review.¹

Reporting Requirements

On the FWC website a number of factsheets in relation to the financial reporting process and associated timelines are available. The most recent copy of the Reporting Guidelines and a model set of financial statements can also be found The FWC recommends reporting units use this model as it will assist in ensuring compliance with the *Fair Work (Registered Organisations) Act 2009*, the s.253 Reporting Guidelines and the Australian Accounting Standards. Access to this information may be obtained via [this link](#).

Should you require further information on the financial reporting requirements of the Act, I may be contacted on (02) 6746 3283 or 0429 462 979 or by email at stephen.kellett@fwc.gov.au

Yours sincerely



Stephen Kellett
Senior Adviser
Regulatory Compliance Branch

¹ The full range of disclosure requirements that may apply can be found itemised on the advanced assessment form available at <https://www.fwc.gov.au/documents/documents/organisations/factsheets/org-financial-report-checklist-advanced.pdf>





IN REPLY PLEASE QUOTE: BH:SW:SA

15 December 2016

General Manager
Fair Work Commission
11 Exhibition Street
MELBOURNE VIC 3000

Dear Sir/Madam,

Australian Nursing and Midwifery Federation - New South Wales Branch
Financial Report for the year ended 30 June 2016
Your Ref: FR2016/314

Please find enclosed a copy of the audited Financial Statements of the Australian Nursing and Midwifery Federation - New South Wales Branch (the Financial Report) for the year ended 30 June 2016.

Also enclosed is the Designated Officer's Certificate and Statement of loans, grants and donations exceeding \$1,000 for financial year ending 30 June 2016 required under the Fair Work (Registered Organisations) Act 2009. Please note that the Statement of loans, grants and donations exceeding \$1,000 was submitted via email 13 October 2016.

If you have any queries please contact Shane Wootton, Acting Manager Projects & Compliance, on 02 8595 2118 or by email at swootton@nswnma.asn.au.

Yours sincerely

BRETT HOLMES
Branch Secretary
ANMF New South Wales Branch



Designated Officer's Certificate

S.268 Fair Work (Registered Organisations) Act 2009

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

- That the documents lodged herewith are copies of the full report, referred to in s.268 of the Fair Work (Registered Organisations) Act 2009; and
- That the full report was provided to members on the website www.nswnma.asn.au on 14 October 2016; and
- That the full report was presented to the Australian Nursing and Midwifery Federation New South Wales Branch Council (the committee of management) on 8 December 2016 in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009.



BRETT HOLMES
Branch Secretary
ANMF New South Wales Branch

Date: 15 December 2016

Australian Nursing and Midwifery Federation New South Wales Branch

Financial Statements

For the Year Ended 30 June 2016

**Australian Nursing and Midwifery Federation
New South Wales Branch**

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For the Year Ended 30 June 2016

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Operating Report

30 June 2016

The Branch Council, being the Committee of Management for the purposes of the Fair Work (Registered Organisations) Act 2009, presents its operating report of the Australian Nursing and Midwifery Federation, New South Wales Branch ("the Branch") for the financial year ended 30 June 2016.

Committee of Management

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

Mr Brett Holmes	Branch Secretary	
Ms Judith Kiejda	Branch Assistant Secretary	
Ms Coral Levett	Branch President	
Ms Lorna Scott	Branch Vice President	
Ms Lynette Hopper	Branch Executive Member	
Ms O'Bray Smith	Branch Executive Member	
Ms Kerry Rodgers	Branch Executive Member	
Mr Gary Clark	Branch Executive Member	
Mr Gil Wilson	Branch Councillor	
Ms Tania Gleeson	Branch Councillor	
Mr Richard Noort	Branch Councillor	
Ms Deborah Lang	Branch Councillor	
Ms Annette Aldrick	Branch Councillor	
Ms Lucille McKenna	Branch Councillor	
Ms Suzanne White	Branch Councillor	
Ms Susan Brazil	Branch Councillor	
Ms Elizabeth McCall	Branch Councillor	
Ms Debra Smith	Branch Councillor	
Ms Peg Hibbert	Branch Councillor	
Mr Jason Pascoe	Branch Councillor	
Mr Edward Makepeace	Branch Councillor	
Ms Michelle Nicholson	Branch Councillor	
Ms Lynette Dine	Branch Councillor	Resigned 1/3/2016
Ms Michelle Cashman	Branch Councillor	Appointed 5/4/2016

All members of the Committee of Management were in office for the period 1 July 2015 to 30 June 2016, unless otherwise stated.

Principal activities

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

Operating Report

30 June 2016

Results of Activities

The operating surplus for the Australian Nursing and Midwifery Federation New South Wales Branch for the year ended 30 June 2016 was \$793 (2015: \$974) and the Branch Council believe that the activities of the Branch have achieved their objectives for the financial year.

Significant Changes in Nature of Activities or Financial Affairs

There were no significant changes in the nature of activities of the Branch during the year.

Significant Changes in Financial Affairs

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

Membership of the Branch

The number of members of the Branch at the end of the financial year was 62,234 (2015: 61,950).

Rights of Members to Resign

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

Employees of the Branch

The Branch has no employees. All work performed on behalf of the Branch is undertaken by persons who are either employees of the New South Wales Nurses and Midwives' Association or elected Officers of the Branch.

Operating Report

30 June 2016

Superannuation Trustees

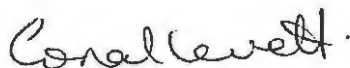
Mr Brett Holmes is a director of Health Employees Superannuation Trust Australia, a position he holds as a nominee of the Australian Nursing and Midwifery Federation.

Mr Tony O'Grady is a Board Member of the State Authorities Superannuation Trustee Corporation, appointed as an employee representative by the New South Wales Minister for Finance. He was, until 13 November 2015, also a director of StatePlus (formerly State Super Financial Services), appointed by the Board of the State Authorities Superannuation Trustee Corporation.

No other officer or member of the Branch acts:

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

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



Ms Coral Levett
Branch President



Mr Brett Holmes
Branch Secretary

Dated 11 October 2016

Committee of Management Statement

On the 11 October 2016 Branch Council of the Australian Nursing and Midwifery Federation, New South Wales Branch ("the Branch"), passed the following resolution in relation to the General Purpose Financial Report ("GPFR") of the Branch for the year ended 30 June 2016:

The Branch Council declares that in its opinion:

- (a) the financial report complies with the Australian Accounting Standards; and
- (b) the financial report complies with the reporting guidelines of the General Manager of the Fair Work Commission ("the General Manager"); and
- (c) the financial report gives a true and fair view of the financial performance, financial position and cash flows of the Branch for the financial year ended 30 June 2016; and
- (d) there are reasonable grounds to believe that the Branch will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year ended 30 June 2016 and since the end of the financial year:
 - i) meetings of the Branch Council were held in accordance with the rules of the organisation and the rules of the branch; and
 - ii) the financial affairs of the Branch have been managed in accordance with the rules of the organisation and the rules of the branch; and
 - iii) the financial records of the Branch have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009 ("the RO Act") and the Fair Work (Registered Organisations) Regulations 2009; and
 - iv) the issue of consistency is being considered by the reporting units of the Australian Nursing and Midwifery Federation with a view to keeping, as far as practicable, the financial records in a consistent manner to each of the other reporting units to ensure compliance with the Australian Accounting Standards; and
 - v) no information has been sought in any request of a member of the Branch or the General Manager duly made under section 272 of the RO Act; and
 - vi) no orders for inspection of financial records have been made by the General Manager under section 273 of the RO Act;
- (f) no revenue has been derived from undertaking recovery of wages activity during the reporting period.

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



BRETT HOLMES
Branch Secretary

Dated this 11th day of October 2016.

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2016

	Note	2016 \$	2015 \$
Income			
Service fee - NSW Nurses and Midwives' Association (NSWNMA)	4	1,250,592	1,186,141
Contribution from NSWNMA towards other expenses	4	56,308	22,073
Interest income	4	853	1,044
Membership subscriptions		-	-
Total Income		1,307,753	1,209,258
Expenditure			
Audit and accounting fees		(4,500)	(5,000)
Bank charges		(60)	(70)
Capitation fees	5	(1,246,092)	(1,186,141)
Research information resources		(29,691)	(17,073)
ANMF Biennial Conference	5	(26,617)	-
Total expenditure		(1,306,960)	(1,208,284)
Profit for the year		793	974
Other comprehensive income for the year		-	-
Total comprehensive income for the year		793	974

The accompanying notes form part of these financial statements.

Balance Sheet

As at 30 June 2016

	Note	2016 \$	2015 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	1,307	2,123
Trade and other receivables	7	5,071	113,700
Other financial assets	8	31,948	31,166
TOTAL CURRENT ASSETS		38,326	146,989
NON-CURRENT ASSETS			
TOTAL ASSETS		38,326	146,989
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	4,950	114,406
TOTAL CURRENT LIABILITIES		4,950	114,406
NON-CURRENT LIABILITIES			
TOTAL LIABILITIES		4,950	114,406
NET ASSETS		33,376	32,583
ACCUMULATED FUNDS			
		33,376	32,583

The accompanying notes form part of these financial statements.

Statement of Changes in Accumulated Funds

For the Year Ended 30 June 2016

	Accumulated funds \$
Balance at 1 July 2015	32,583
Result for the year	<u>793</u>
Balance at 30 June 2016	<u><u>33,376</u></u>
Balance at 1 July 2014	31,609
Result for the year	<u>974</u>
Balance at 30 June 2015	<u><u>32,583</u></u>

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the Year Ended 30 June 2016

	2016	2015
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Service fees and other revenue received	1,546,213	1,220,560
Payments to suppliers and employees	(1,547,100)	(1,219,794)
Interest received	853	1,120
Net cash provided by/(used in) operating activities	17 (34)	1,886
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payments for held-to-maturity investments	(782)	(966)
Net cash used by investing activities	(782)	(966)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net cash used by financing activities	-	-
Net increase/(decrease) in cash and cash equivalents held	(816)	920
Cash and cash equivalents at beginning of year	2,123	1,203
Cash and cash equivalents at end of financial year	6 1,307	2,123

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 30 June 2016

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 Organisations) Act 2009. For the purpose of preparing the general purpose financial statements, the 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.

Comparatives are consistent with prior years, unless otherwise stated.

2 Summary of Significant Accounting Policies

(a) Income Tax

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

(b) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Branch and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

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

Service fees

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

Interest revenue

Interest is recognised using the effective interest method.

Notes to the Financial Statements

For the Year Ended 30 June 2016

2 Summary of Significant Accounting Policies (continued)

(c) Goods and services tax (GST)

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

Receivables and payable are stated inclusive of GST.

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

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

(d) Financial instruments

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the Branch becomes party to the contractual provisions of the instrument.

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

Financial Assets

Financial assets are divided into the following categories which are described in detail below:

- loans and receivables;
- financial assets at fair value through profit or loss;
- held-to-maturity investments.

Financial assets are assigned to the different categories on initial recognition, depending on the characteristics of the instrument and its purpose. A financial instrument's category is relevant to the way it is measured and whether any resulting income and expenses are recognised in profit or loss or in other comprehensive income.

All income and expenses relating to financial assets are recognised in the statement of profit or loss and other comprehensive income in the 'finance income' or 'finance costs' line item respectively.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets.

Notes to the Financial Statements

For the Year Ended 30 June 2016

2 Summary of Significant Accounting Policies (continued)

(d) Financial instruments (continued)

After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in profit or loss.

The Branch's trade and other receivables fall into this category of financial instruments.

Significant receivables are considered for impairment on an individual asset basis when they are past due at the reporting date or when objective evidence is received that a specific counterparty will default.

The amount of the impairment is the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable.

In some circumstances, the Branch renegotiates repayment terms with customers which may lead to changes in the timing of the payments, the Branch does not necessarily consider the balance to be impaired, however assessment is made on a case-by-case basis.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets:

- acquired principally for the purpose of selling in the near future or
- designated by the entity to be carried at fair value through profit or loss upon initial recognition.

Assets included within this category are carried in the balance sheet at fair value with changes in fair value recognised in finance income or expenses in profit or loss.

Any gain or loss arising from derivative financial instruments is based on changes in fair value, which is determined by direct reference to active market transactions or using a valuation technique where no active market exists.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity. Investments are classified as held-to-maturity if it is the intention of the Branch's management to hold them until maturity.

Held-to-maturity investments are subsequently measured at amortised cost using the effective interest method, with revenue recognised on an effective yield basis. In addition, if there is objective evidence that the investment has been impaired, the financial asset is measured at the present value of estimated cash flows. Any changes to the carrying amount of the investment are recognised in profit or loss.

Notes to the Financial Statements

For the Year Ended 30 June 2016

2 Summary of Significant Accounting Policies (continued)

(d) Financial instruments (continued)

Financial liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities depending on the purpose for which the liability was acquired.

The Branch's financial liabilities include trade and other payables, which are measured at amortised cost using the effective interest rate method.

Impairment of financial assets

At the end of the reporting period the Branch assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets at amortised cost

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial assets original effective interest rate.

Impairment on loans and receivables is reduced through the use of an allowance accounts, all other impairment losses on financial assets at amortised cost are taken directly to the asset.

Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

(e) Impairment of non-financial assets

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

Where this indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

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

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

Notes to the Financial Statements

For the Year Ended 30 June 2016

2 Summary of Significant Accounting Policies (continued)

(e) Impairment of non-financial assets (continued)

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

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

(f) Cash and cash equivalents

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

(g) Adoption of new and revised accounting standards

During the current year, there have been no new or revised accounting standards that have become mandatory, which have had a material impact (in the current year or retrospectively) upon the measurement of assets, liabilities, equity, income or expenses, nor upon the disclosures required in this financial report.

(h) New Accounting Standards and Interpretations

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Branch has decided not to early adopt these Standards. The following table summarises those future requirements, and their impact on the Branch where the standard is relevant:

Standard Name	Effective date for entity	Requirements	Impact
AASB 9 Financial Instruments	Mandatory for financial years commencing on or after 1 January 2018.	AASB 9 addresses the classification, measurement and derecognition of financial assets and financial liabilities and introduces new rules for hedge accounting. In December 2014, the AASB made further changes to the classification and measurement rules and also introduced a new impairment model. These latest amendments now complete the new financial instruments standard.	There will be no impact on the Branch's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and the Branch does not have any such liabilities.

Notes to the Financial Statements

For the Year Ended 30 June 2016

2 Summary of Significant Accounting Policies (continued)

(h) New Accounting Standards and Interpretations (continued)

Standard Name	Effective date for entity	Requirements	Impact
AASB 15 Revenue from Contracts with Customers	Mandatory for financial years commencing on or after 1 January 2018.	<p>The AASB has issued a new standard for the recognition of revenue. This will replace AASB 118 which covers contracts for goods and services.</p> <p>The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer – so the notion of control replaces the existing notion of risks and rewards.</p> <p>The standard permits a modified retrospective approach for the adoption. Under this approach entities will recognise transitional adjustments in retained earnings on the date of initial application (eg 1 July 2017), ie without restating the comparative period.</p> <p>They will only need to apply the new rules to contracts that are not completed as of the date of initial application.</p>	Management gave assessed that this will not have any impact upon the way revenue is recognised under the current arrangements in place with customers.
AASB 16 Leases	Mandatory for financial years commencing on or after 1 January 2019.	AASB 16 Leases requires lessees to recognise assets and liabilities for all leases with a term of more than 12months, unless the underlying asset is of low value.	There will be no impact upon the Branch as it does not have any leases in place.

(i) Capitation fees and levies

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

Notes to the Financial Statements

For the Year Ended 30 June 2016

2 Summary of Significant Accounting Policies (continued)

(j) Going concern

The Branch is not reliant on the agreed financial support of another reporting unit to continue on a going concern basis.

The Branch has not agreed to provide financial support to another reporting unit to ensure they can continue on a going concern basis.

The Branch has not acquired an asset or liability as a result of amalgamation, restructure or alternative reporting unit determination or revocation.

3 Critical Accounting Estimates and Judgments

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

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

The significant estimates and judgements made have been described below.

Key estimates - receivables

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

Notes to the Financial Statements

For the Year Ended 30 June 2016

4 Revenue and Other Income

		2016	2015
	Note	\$	\$
Service Fee - NSW Nurses and Midwives' Association (NSWNMA)	16	1,250,592	1,186,141
Contribution from NSWNMA towards other expenses	16	56,308	22,073
Interest income		853	1,044
Capitation fees		-	-
Levies		-	-
Grants or donations		-	-
Total Revenue		1,307,753	1,209,258

5 Expenses

Employee expenses		-	-
Capitation fees	16	1,246,092	1,186,141
Affiliation fees		-	-
Consideration to employers for payroll deductions		-	-
Compulsory levies		-	-
Fees/allowances - meeting and conferences		-	-
Conference and meeting expenses	16	26,617	-
Grants or donations		-	-
Legal costs		-	-
Penalties - via RO Act or RO Regulations		-	-

6 Cash and Cash Equivalents

Cash at bank		1,307	2,123
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7 Trade and Other Receivables

CURRENT

Trade receivables		-	113,700
Other receivables		5,071	-
		5,071	113,700

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

Notes to the Financial Statements

For the Year Ended 30 June 2016

7 Trade and Other Receivables (continued)

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

(a) Receivables from other reporting units

	2016	2015
	\$	\$
Australian Nursing and Midwifery Federation, Federal Office	-	-
Less: provision for doubtful debts	-	-
	<u>-</u>	<u>-</u>
 New South Wales Nurses and Midwives' Association	 4,950	 113,570
Less: provision for doubtful debts	-	-
	<u>4,950</u>	<u>113,570</u>

8 Other financial assets

CURRENT

Held-to-maturity financial assets	<u>31,948</u>	<u>31,166</u>
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9 Trade and Other Payables

Other payables	<u>4,950</u>	<u>114,406</u>
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All amounts are short term and the carrying values are considered to be a reasonable approximation of fair value.

(a) Payables to other Reporting Units:

Australian Nursing and Midwifery Federation, National Office	-	108,730
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(b) Other payables

Consideration to employers from payroll deductions	-	-
Legal costs/litigation matters	-	-

Notes to the Financial Statements

For the Year Ended 30 June 2016

10 Employee Benefits

	2016	2015
Note	\$	\$
Employee provisions	-	-

11 Funds

Compulsory levy/voluntary contribution fund	-	-
Other funds required by rules	-	-
	-	-

12 Financial Risk Management

The main risks Australian Nursing and Midwifery Federation, New South Wales Branch is exposed to through its financial instruments are credit risk and market risk consisting of interest rate risk.

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

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

Financial Assets

Cash and cash equivalents	6	1,307	2,123
Held-to-maturity investments	8	31,948	31,166
Trade and other receivables	7	5,071	113,700
Total financial assets		38,326	146,989

Financial Liabilities

Financial liabilities at amortised cost			
Trade and other payables	9	4,950	114,406

Notes to the Financial Statements

For the Year Ended 30 June 2016

12 Financial Risk Management (continued)

Liquidity risk

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

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

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

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

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

	Not later than 1 month		Total	
	2016	2015	2016	2015
	\$	\$	\$	\$
Trade and other payables	4,950	114,406	4,950	114,406

Credit risk

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

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

Notes to the Financial Statements

For the Year Ended 30 June 2016

12 Financial Risk Management (continued)

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

	Gross amount	Past due and impaired	Past due but not impaired (days overdue)				Within initial trade terms
			< 30	31-60	61-90	> 90	
			\$	\$	\$	\$	
2016							
Other receivables	5,071	-	-	-	-	-	5,071
Total	5,071	-	-	-	-	-	5,071
2015							
Trade and term receivables	113,700	-	-	-	-	-	113,700
Total	113,700	-	-	-	-	-	113,700

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

The other classes of receivables do not contain impaired assets.

Net income from financial assets

	2016	2015
	\$	\$
Held-to-maturity - interest revenue	853	1,044

13 Key Management Personnel Disclosures

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

Total remuneration	-	-
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Notes to the Financial Statements

For the Year Ended 30 June 2016

14 Auditor's Remuneration

	2016	2015
	\$	\$
Remuneration of the auditor of the branch, Daley & Co Chartered Accountants, for auditing the financial statements	<u>4,500</u>	<u>4,400</u>

No other services were provided by the auditors of the financial statements.

15 Contingencies

In the opinion of the Branch Councillors, the Branch did not have any contingencies at 30 June 2016 (30 June 2015: None).

16 Related Parties

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

(i) Key management personnel:

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

For details of remuneration disclosures relating to key management personnel, refer to Note 13: Key Management Personnel Disclosures.

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

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

The Branch is associated with the New South Wales Nurses & Midwives' Association, with the majority of members of the Branch also being members of the Association.

Notes to the Financial Statements

For the Year Ended 30 June 2016

16 Related Parties (continued)

(b) Transactions with related parties

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

The following transactions occurred with related parties:

	2016	2015
	\$	\$
Capitation fees paid to Federal Office of the Australian Nursing and Midwifery Federation (fees determined by Federal Office)	(1,246,092)	(1,186,141)
Biennial National Conference contributions to Federal Office of Australian Nursing and Midwifery Federation	(26,617)	-
Other resource purchases from Federal Office of Australian Nursing and Midwifery Federation	(29,339)	(17,073)
Service fees received from New South Wales Nurses & Midwives' Association	1,250,592	1,186,141
Various campaign and expense funding received from New South Wales Nurses & Midwives' Association	56,308	22,073

Amounts owed to and amounts owed by the Branch to other Reporting Units are disclosed in notes 7(a) and 9(a) respectively.

17 Cash Flow Information

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

Result for the year	793	974
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	108,629	(108,598)
- increase/(decrease) in trade and other payables	(109,456)	109,510
Cashflow from operations	<u>(34)</u>	<u>1,886</u>

(b) Cash flow information

Net cash flows to Reporting Units:

Australian Nursing and Midwifery Federation, National Office	(1,540,983)	(1,216,201)
New South Wales Nurses and Midwives' Association	1,546,210	1,217,038

Notes to the Financial Statements

For the Year Ended 30 June 2016

18 Events Occurring After the Reporting Date

From October 2016, approximately 90 staff have been employed by the Federation whom have been transferred from the New South Wales Nurses and Midwives' Association ("the Association") in advance of the expiration of the Association's transitional recognition under the Fair Work (Registered Organisations) Act. All associated employee leave entitlements will be transferred, with a commensurate payment and/or facility being provided by the Association. A service agreement is in the process of being finalised whereby:

- The Federation will pay the Association for administrative services provided, including infrastructure and services; and
- The Association will pay the Federation for industrial and professional representation services provided to joint members of both organisations.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Branch, the results of those operations or the state of affairs of the Branch in future financial years.

19 Financial affairs administered by another entity

The financial affairs of the Branch are administered by the New South Wales Nurses' and Midwives Association, for nil consideration. All related party transactions between the two entities are recorded at note 16.

20 Section 272 Fair Work (Registered Organisations) Act 2009

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

Information to be provided to members of General Manager:

- (1) A member of a reporting unit, or the General Manager, 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).

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

Report on the Financial Report

We have audited the accompanying financial report of Australian Nursing and Midwifery Federation, New South Wales Branch ("the Branch"), which comprises the Balance Sheet as at 30 June 2016 and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Accumulated Funds and Statement of Cash Flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Committee of Management Statement.

Branch Council's Responsibility for the Financial Report

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Branch's preparation of the financial report that gives a true and fair view 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 Branch's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Branch Council, as well as evaluating the overall presentation of the financial report.

Independence

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

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

Opinion

In our opinion the financial report presents fairly, in all material respects, the financial position of Australian Nursing and Midwifery Federation, New South Wales Branch, as at 30 June 2016 and of its financial performance and cash flows for the year then ended in accordance with:

- (a) 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').

The scope of our audit did extend to recovery of wages activity, however as noted in the Committee of Management's Statement, no such activity was undertaken during the period.

I declare that I am an approved auditor, a member of the Chartered Accountants Australia and New Zealand and hold a current Certificate of Public Practice.

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

Daley & Co.
Daley & Co
Chartered Accountants

Michael Mundt
Michael Mundt
Partner

11 October 2016

Wollongong

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