



**Australian Government**  
**Registered Organisations Commission**

4 January 2019

Mr Brett Holmes  
Secretary, NSW Branch  
Australian Nursing and Midwifery Federation

Dear Mr Holmes

**Re: – Financial reporting – Australian Nursing and Midwifery Federation, New South Wales Branch - for year ending 30 June 2018 (FR2018/256)**

I acknowledge receipt of the financial report of the New South Wales Branch of the Australian Nursing and Midwifery Federation in respect of the year ending 30 June 2018. The documents were lodged with the Registered Organisations Commission ('the ROC') on 7 December 2018.

The financial report has been filed. The financial report was 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.

You are not required to take any further action in respect of the report lodged. Please note the report for year ending 30 June 2019 may be subject to an advanced compliance review.

Reporting Requirements

The ROC website provides a number of factsheets in relation to the financial reporting process and associated timelines. The website also contains the s.253 reporting guidelines and a model set of financial statements. The ROC recommends that reporting units use these model financial statements to assist in complying with the RO Act, the s.253 Reporting Guidelines and Australian Accounting Standards. Access to this information is available via [this link](#).

Yours faithfully

A handwritten signature in black ink that reads "Stephen Kellett".

Stephen Kellett  
Financial Reporting  
Registered Organisations Commission



IN REPLY PLEASE QUOTE:

BH:LWAL:LROB

7 December 2018

The Commissioner  
Registered Organisations Commission  
E: [regorgs@roc.gov.au](mailto:regorgs@roc.gov.au)

Dear Sir / Madam

**Re: Australian Nursing and Midwifery Federation New South Wales Branch  
Financial Report for the year ended 30 June 2018**

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 2018.

Also enclosed is a Designated Officer's Certificate required as per section 268 of the Fair Work (Registered Organisations) Act 2009.

If you have any queries please contact Liz Robinson on 8595 1256 or by email at [lrobinson@nswnma.asn.au](mailto:lrobinson@nswnma.asn.au).

Yours sincerely

A handwritten signature in black ink that reads "Brett Holmes".

**BRETT HOLMES**  
Branch Secretary  
ANMF NSW 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 financial report, referred to in s.268 of the Fair Work (Registered Organisations) Act 2009; and
- That the full financial report was provided to members on the website [www.nswnma.asn.au](http://www.nswnma.asn.au) on 9 October 2018; and
- That the full report was presented to the Australian Nursing and Midwifery Federation New South Wales Branch Council (the committee of management) on 30 November 2018 in accordance with s.266(3) of the Fair Work (Registered Organisations) Act 2009.



**BRETT HOLMES**

Date: 7 December 2018

Branch Secretary  
ANMF New South Wales Branch

# **Australian Nursing and Midwifery Federation**

## **New South Wales Branch**

**ABN: 85 726 054 782**

**Federally Registered Financial Statements**

**For the Year Ended 30 June 2018**

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

ABN: 85 726 054 782

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**For the Year Ended 30 June 2018**

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

ABN: 85 726 054 782

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**Operating Report**

**30 June 2018**

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 2018.

**Names of Committee of Management members and positions held during the financial year**

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	
Mr Gary Clark	Branch Executive Member	
Ms Lynette Hopper	Branch Executive Member	
Ms Kerry Rodgers	Branch Executive Member	
Ms O'Bray Smith	Branch Executive Member	
Ms Annette Alldrick	Branch Councillor	
Ms Susan Brazil	Branch Councillor	
Ms Michelle Cashman	Branch Councillor	
Ms Peg Hibbert	Branch Councillor	
Ms Deborah Lang	Branch Councillor	
Mr Edward Makepeace	Branch Councillor	
Ms Elizabeth McCall	Branch Councillor	
Ms Lucille McKenna	Branch Councillor	
Mr Richard Noort	Branch Councillor	
Ms Debra Smith	Branch Councillor	
Ms Michelle Straub (nee Nicholson)	Branch Councillor	
Ms Suzanne White	Branch Councillor	
Mr Gil Wilson	Branch Councillor	
Ms Natalie Ellis	Branch Councillor	Appointed 21 November 2017
Ms Julie Goss	Branch Councillor	Appointed 21 November 2017
Ms Tania Gleeson	Branch Councillor	Resigned 1 September 2017
Ms Lee Taylor	Branch Councillor	Resigned 1 September 2017

All members of the Committee of Management were in office for the period 1 July 2017 to 30 June 2018, unless otherwise stated.

## **Operating Report**

**30 June 2018**

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

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

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

The operating surplus for the Australian Nursing and Midwifery Federation New South Wales Branch for the year ended 30 June 2018 was \$142,971 (2017: \$83,025) and the Branch Council believe that the activities of the Branch have achieved their objectives for the financial year.

### **Significant changes in financial affairs**

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

### **Number of members**

The number of members of the Branch at the end of the financial year was 63,075 (2017: 62,414).

### **Right of members to resign**

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

### **Number of employees**

The total number of full time equivalent employees as at 30 June 2018 was 108 (2017: 96).

## **Operating Report**

**30 June 2018**

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

Ms Anna Claude became a director of Health Employees Superannuation Trust Australia from 31 December 2016, a position she holds as a nominee of the Australian Nursing and Midwifery Federation.

Mr Tony O'Grady is a Board Member of the Superannuation Trustee Corporation, appointed as an employee representative by the New South Wales Minister for Finance.

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 Branch Council.



**Ms Coral Levett**  
Branch President



**Mr Brett Holmes**  
Branch Secretary

9 October 2018



## **Committee of Management Statement**

On the 9th of October 2018 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 2018:

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 (RO Act);
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the Branch for the financial year ended 30 June 2018;
- (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 2018 and since the end of the financial year:
  - i) meetings of the Branch Council were held in accordance with the rules of the organisation including the rules of the Branch concerned; and
  - ii) the financial affairs of the Branch have been managed in accordance with the rules of the organisation including the rules of the Branch concerned; and
  - iii) the financial records of the Branch have been kept and maintained in accordance with the RO Act; and
  - iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
  - v) where information has been sought in any request by a member of the reporting unit or Commissioner duly made under section 272 of the RO Act 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 Branch Council.



**Mr Brett Holmes**  
Branch Secretary

9 October 2018

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

ABN: 85 726 054 782

**Statement of Profit or Loss and Other Comprehensive Income**

**For the Year Ended 30 June 2018**

	Note	2018 \$	2017 \$
<b>Income</b>			
Service fee - NSW Nurses and Midwives' Association (NSWNMA)	15	21,038,636	13,618,436
Interest income		164,607	70,735
Other income		46,332	8,440
Financial support received from another Reporting Unit		-	-
<b>Total Income</b>		<b>21,249,575</b>	<b>13,697,611</b>
<b>Expenditure</b>			
Employee benefits expense	4	(17,698,981)	(10,970,657)
Capitation fees	4	(1,379,080)	(1,310,109)
Service fees to NSWNMA	15	(1,260,818)	(922,500)
Travel expenses		(357,364)	(211,176)
Motor vehicle expenses		(106,061)	(62,917)
Meetings and conference expense	4	(79,272)	(13,857)
Legal costs	4	(4,692)	(4,353)
Affiliation fees	4	-	(355)
Other expenses		(220,336)	(118,662)
<b>Total expenditure</b>		<b>(21,106,604)</b>	<b>(13,614,586)</b>
<b>Result for the year</b>		<b>142,971</b>	<b>83,025</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified subsequently to profit or loss</b>			
Remeasurements of retirement benefit obligations	10	52,265	(146,265)
<b>Other comprehensive income for the year</b>		<b>52,265</b>	<b>(146,265)</b>
<b>Total comprehensive income for the year</b>		<b>195,236</b>	<b>(63,240)</b>

The accompanying notes form part of these financial statements.

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

ABN: 85 726 054 782

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**Balance Sheet**

**As at 30 June 2018**

	Note	2018 \$	2017 \$
<b>ASSETS</b>			
CURRENT ASSETS			
Cash and cash equivalents	5	<b>3,348,300</b>	1,877,673
Trade and other receivables	6	<b>69,400</b>	332,394
Other financial assets	7	<b>5,100,000</b>	5,099,999
Other assets	8	<b>31,090</b>	85,902
TOTAL CURRENT ASSETS		<b>8,548,790</b>	7,395,968
NON-CURRENT ASSETS			
TOTAL ASSETS		<b>8,548,790</b>	7,395,968
<b>LIABILITIES</b>			
CURRENT LIABILITIES			
Trade and other payables	9	<b>1,240,421</b>	939,927
Employee benefits	10	<b>6,434,261</b>	5,602,551
TOTAL CURRENT LIABILITIES		<b>7,674,682</b>	6,542,478
NON-CURRENT LIABILITIES			
Employee benefits	10	<b>708,736</b>	883,354
TOTAL NON-CURRENT LIABILITIES		<b>708,736</b>	883,354
TOTAL LIABILITIES		<b>8,383,418</b>	7,425,832
NET ASSETS		<b>165,372</b>	(29,864)
RETAINED EARNINGS			
		<b>165,372</b>	(29,864)

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The accompanying notes form part of these financial statements.

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

ABN: 85 726 054 782

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**Statement of Changes in Equity**

**For the Year Ended 30 June 2018**

	<b>Retained Earnings \$</b>
<b>Balance at 1 July 2017</b>	<b>(29,864)</b>
Result for the year	<b>142,971</b>
Remeasurements of retirement benefit obligations	<b>52,265</b>
<b>Balance at 30 June 2018</b>	<b><u>165,372</u></b>
<b>Balance at 1 July 2016</b>	33,376
Result for the year	83,025
Remeasurement of retirement benefit obligations	<u>(146,265)</u>
<b>Balance at 30 June 2017</b>	<b><u>(29,864)</u></b>

The accompanying notes form part of these financial statements.

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

ABN: 85 726 054 782

**Statement of Cash Flows  
For the Year Ended 30 June 2018**

	2018	2017
Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Service fees and other revenue received	23,471,541	14,699,123
Payments to suppliers and employees	(22,171,070)	(7,763,168)
Interest received	170,157	8,462
Net cash provided by operating activities	16 <u>1,470,628</u>	<u>6,944,417</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Payments for held-to-maturity investments	(1)	(5,068,051)
Net cash used by investing activities	<u>(1)</u>	<u>(5,068,051)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Net cash used by financing activities	-	-
Net increase in cash and cash equivalents held	1,470,627	1,876,366
Cash and cash equivalents at beginning of year	<u>1,877,673</u>	<u>1,307</u>
Cash and cash equivalents at end of financial year	5 <u><u>3,348,300</u></u>	<u><u>1,877,673</u></u>

The accompanying notes form part of these financial statements.

## **Notes to the Financial Statements**

**For the Year Ended 30 June 2018**

### **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 accrual 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 2018**

### **2 Summary of Significant Accounting Policies (Continued)**

#### **(b) Revenue and other income (Continued)**

##### **Membership fees**

Revenue from the provision of membership subscriptions is recognised on an accrual basis and is recorded as revenue in the year to which it relates.

Membership fees are received by the New South Wales Nurses and Midwives' Association, which entitles members to hold dual membership with that entity and also the Branch, subject to an overall service agreement with them. Under this agreement, specific membership fees are not separately quantifiable and hence not able to be disclosed. Refer to note 15 for further details of related party transactions

#### **(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 payables are stated inclusive of GST.

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

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

#### **(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).

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 2 Summary of Significant Accounting Policies (Continued)

#### (d) Financial instruments (Continued)

##### *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; and
- 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.

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.



## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 2 Summary of Significant Accounting Policies (Continued)

#### (d) Financial instruments (Continued)

##### *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.

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, base on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - quoted prices in active market for identical assets or liabilities. The assets in this level are listed shares; listed unit trusts
- Level 2 - inputs other than quoted prices observable for the asset or liability either directly or indirectly. The assets in this level are cash; notes; government, semi-government and corporate bonds; unlisted trusts where quoted prices are available in active markets for identical assets or liabilities.
- Level 3 - inputs for the assets or liability that are not based on observable market data. The assets in this level are unlisted property; unlisted shares; unlisted infrastructure; distressed debt; hedge funds.

##### *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.

##### *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.

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 2 Summary of Significant Accounting Policies (Continued)

#### (d) Financial instruments (Continued)

##### *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 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 evidence of an impairment indicator for non-financial assets.

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

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

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

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

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

## **Notes to the Financial Statements**

**For the Year Ended 30 June 2018**

### **2 Summary of Significant Accounting Policies (Continued)**

**(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) Employee benefits**

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

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

#### **Defined benefit superannuation schemes**

##### *Nature of the benefits provided by the fund*

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

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

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

All the schemes are closed to new members.

##### *Description of the regulatory framework*

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

## **Notes to the Financial Statements**

**For the Year Ended 30 June 2018**

### **2 Summary of Significant Accounting Policies (Continued)**

#### **(g) Employee benefits (Continued)**

##### **Defined benefit superannuation schemes (Continued)**

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

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

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

An actuarial investigation of the Pooled Fund is performed every three years. The last actuarial investigation was performed as at 30 June 2015. The actuary has commenced work on the 30 June 2018 investigation. Once complete, the report will be available on the Fund's website.

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

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

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

##### **Defined contribution schemes**

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

#### **(h) 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.

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 2 Summary of Significant Accounting Policies (Continued)

#### (i) 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:

<b>Standard Name</b>	<b>Effective date for entity</b>	<b>Requirements</b>	<b>Impact</b>
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 2018

### 2 Summary of Significant Accounting Policies (Continued)

#### (i) 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 2019.	<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>	<p>Management have assessed that this will not have any impact upon the way revenue is recognised under the current arrangements in place with customers.</p>
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 12 months, 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.

#### (j) 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 2018**

### **2 Summary of Significant Accounting Policies (Continued)**

#### **(k) Going concern**

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

### **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.

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

ABN: 85 726 054 782

**Notes to the Financial Statements**

**For the Year Ended 30 June 2018**

**4 Expenses**

	Note	2018 \$	2017 \$
<b>Employee expenses</b>			
<b>Office holders*</b>			
Wages and salaries		-	-
Superannuation		-	-
Leave and other entitlements		-	-
Separation and redundancies		-	-
Other employee expenses		-	-
		<hr/>	<hr/>
		-	-
<b>Employees other than office holders</b>			
Wages and salaries		13,901,112	8,860,708
Superannuation		1,493,842	859,187
Leave and other entitlements		1,160,474	579,870
Separation and redundancies		-	-
Other employee expenses (FBT expense, payroll tax expense, workers compensation expense)		1,143,553	670,892
		<hr/>	<hr/>
		17,698,981	10,970,657
Capitation fees - Australian Nursing and Midwifery Federation, Federal Office	15	1,379,080	1,310,109
Affiliation fees - Alzheimer's Australia		-	73
Affiliation fees - HISA		-	282
		<hr/>	<hr/>
		-	355
Conference and meeting expenses		79,272	13,857
Legal costs - other matters		4,692	4,353

\* There are no office holders directly remunerated by the Branch. This function is outsourced to the New South Wales Nurses and Midwives' Association, and incorporated into the overall service agreement with them. Under this agreement, specific remuneration amounts are not able to be reliably measured and hence not separately quantifiable for disclosure. Refer to note 15 for details of payments made to related parties.



**Australian Nursing and Midwifery Federation  
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**Notes to the Financial Statements**

For the Year Ended 30 June 2018

**5 Cash and Cash Equivalents**

	<b>2018</b>	<b>2017</b>
	\$	\$
Cash at bank and in hand	<u><b>3,348,300</b></u>	<u><b>1,877,673</b></u>

**6 Trade and Other Receivables**

Trade receivables	<b>9,958</b>	270,000
Other receivables	<b>59,442</b>	62,394
	<u><b>69,400</b></u>	<u><b>332,394</b></u>

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

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

**(a) Receivables from other reporting units**

Australian Nursing and Midwifery Federation, Federal Office	-	-
Less: provision for doubtful debts	-	-
	<u>-</u>	<u>-</u>
 New South Wales Nurses and Midwives' Association	 <b>9,958</b>	 270,000
Less: provision for doubtful debts	-	-
	<u><b>9,958</b></u>	<u><b>270,000</b></u>

**7 Other financial assets**

Held-to-maturity financial assets - term deposits	<u><b>5,100,000</b></u>	<u><b>5,099,999</b></u>
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**Australian Nursing and Midwifery Federation  
New South Wales Branch**

ABN: 85 726 054 782

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**Notes to the Financial Statements**

**For the Year Ended 30 June 2018**

**8 Other Assets**

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
Prepayments	<u><u>31,090</u></u>	<u><u>85,902</u></u>

**9 Trade and Other Payables**

Trade creditors	<b>97,691</b>	99,038
GST and other payables	<u><u>1,142,730</u></u>	<u><u>840,889</u></u>
	<u><u><b>1,240,421</b></u></u>	<u><u>939,927</u></u>

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

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

ABN: 85 726 054 782

**Notes to the Financial Statements**

**For the Year Ended 30 June 2018**

**10 Employee Benefits**

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
<b>CURRENT</b>		
Long service leave	<b>3,054,741</b>	2,931,667
Provision for employee benefits	<b>3,256,414</b>	2,670,884
Net defined benefit obligations	<b>123,106</b>	-
	<b>6,434,261</b>	<b>5,602,551</b>
<b>NON-CURRENT</b>		
Long service leave	<b>117,872</b>	191,410
Net defined benefit obligations	<b>590,864</b>	691,944
	<b>708,736</b>	<b>883,354</b>

**Employee provisions**

**Office Holders\*:**

Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-
	-	-

**Employees other than office holders:**

Annual leave	<b>2,449,631</b>	2,058,585
Long service leave	<b>3,172,613</b>	3,123,077
Separations and redundancies	-	-
Other	<b>806,783</b>	612,299
	<b>6,429,027</b>	<b>5,793,961</b>
<b>Total employee provisions</b>	<b>6,429,027</b>	<b>5,793,961</b>

\* There are no office holders directly remunerated by the Branch. This function is outsourced to the New South Wales Nurses and Midwives' Association, and incorporated into the overall service agreement with them. Under this agreement, specific remuneration amounts are not able to be reliably measured and hence not separately quantifiable for disclosure. Refer to note 15 for details of payments made to related parties.

## **Notes to the Financial Statements**

**For the Year Ended 30 June 2018**

### **10 Employee Benefits (Continued)**

#### **Defined Benefit Plans**

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

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

#### *Description of risks*

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

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

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

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

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

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

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

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 10 Employee Benefits (Continued)

#### (a) Defined Benefit Plans - Reconciliations

	Defined benefit liability / asset	Fair value of fund assets	Present value of the defined benefit obligation
<b>2018</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Opening balance	691,944	4,701,132	5,393,074
Current service cost	180,023	-	180,023
Interest income	23,524	170,492	194,016
Actual return on fund assets less interest income	(227,458)	227,458	-
Remeasurements of the net defined benefit liability / asset:			
Actuarial gains and losses arising from changes in demographic assumptions	61,064	-	61,064
Actuarial gains and loss arising from changes in financial assumptions	64,571	-	64,571
Actuarial gains and losses arising from liability experience	49,558	-	49,558
Contributions to the plan:			
By employer	(129,256)	129,256	-
By plan participants	-	73,227	73,227
Benefits paid	-	(10,696)	(10,696)
Taxes, premiums and expenses paid	-	(20,041)	(20,041)
<b>Closing balance</b>	<b>713,970</b>	<b>5,270,828</b>	<b>5,984,796</b>

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 10 Employee Benefits (Continued)

#### (a) Defined Benefit Plans - Reconciliations (Continued)

	Defined benefit liability / asset	Plan assets	Present value of the defined benefit obligation
<b>2017</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Interest expense	6,581	(5,594)	987
Remeasurements of the net defined benefit liability / asset:			
Return on plan assets (excluding interest)	(136,101)	136,101	-
Actuarial gains and loss arising from changes in financial assumptions	(64,969)	-	(64,969)
Changes in the effect of limiting a net defined benefit assets to the asset ceiling (excluding interest)	557,363	-	557,363
Contributions to the plan:			
By employer	329,070	(329,068)	-
Payments from the plan excluding settlements	-	4,906,528	4,906,528
Effect of business combinations and disposals	-	(6,835)	(6,835)
<b>Closing balance</b>	<b>691,944</b>	<b>4,701,132</b>	<b>5,393,074</b>

#### (b) Defined Benefit Plans - Asset ceiling

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

#### (c) Defined Benefit Plans - Actuarial assumptions

	2018	2017
Discount rate	3.55 %	3.75 %
Inflation	2.25 - 2.50 %	2.00 - 2.50 %
Future salary increases	2.70 - 3.20 %	2.50 - 3.50 %

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

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 10 Employee Benefits (Continued)

#### (c) Defined Benefit Plans - Actuarial assumptions (Continued)

30 June 2018 Actuarial assumption	Reasonably possible movement	Increase in assumption	Decrease in assumption
Discount rate	1.00 %	(295,424)	341,505
Inflation	0.5 %	51,835	(47,296)
Future salary increases	0.5 %	104,538	(101,210)

30 June 2017 Actuarial assumption	Reasonably possible movement	Increase in assumption	Decrease in assumption
Discount rate	1.00%	(290,001)	334,300
Inflation	0.5%	38,154	(34,833)
Future salary increases	0.5%	115,991	(111,741)

#### (d) Defined Benefit Plans - Plan assets

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

Class of asset	2018		Total \$'000	% of total
	Quoted \$'000	Unquoted \$'000		
Cash and cash equivalents	2,185,469	2,215,695	4,401,164	10.53
Australian Fixed Interest	41,854	2,193,068	2,234,922	5.35
International Fixed Interest	8,116	1,387,991	1,396,107	3.34
Australian Equities	8,719,442	551,963	9,271,405	22.18
International Equities	8,499,476	2,391,874	10,891,350	26.06
Property	788,018	2,923,269	3,711,287	8.88
Alternatives	420,897	9,473,931	9,894,828	23.67
<b>Total</b>	<b>20,663,272</b>	<b>21,137,791</b>	<b>41,801,063</b>	

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

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

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 10 Employee Benefits (Continued)

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

	2018	2017
	\$	\$
<b>The amounts recognised in the profit or loss are as follows:</b>		
Current service cost	(180,023)	-
Net interest	(23,524)	(6,581)
	<u>(203,547)</u>	<u>(6,581)</u>
<b>Amounts recognised in other comprehensive income are as follows:</b>		
Remeasurements of retirement benefit obligations	52,265	(146,265)

#### (g) Defined Benefit Plans - Funding Arrangements

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

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

The expected contributions for the year ending 30 June 2019 are \$123,106.

#### (h) Defined Benefit Plans - Maturity Profile

The weighted average duration of the defined benefit obligation is 7.0 years.

#### (i) Defined Benefit Plans - Description of significant events

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

### 11 Financial Risk Management

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

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



## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 11 Financial Risk Management (Continued)

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:

		2018	2017
	Note	\$	\$
<b>Financial Assets</b>			
Cash and cash equivalents	5	3,348,300	1,877,673
Held-to-maturity investments	7	5,100,000	5,099,999
Trade and other receivables	6	69,400	332,394
<b>Total financial assets</b>		<b>8,517,700</b>	<b>7,310,066</b>
<b>Financial Liabilities</b>			
Financial liabilities at amortised cost			
Trade and other payables	9	1,240,421	939,927

#### 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.

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 11 Financial Risk Management (Continued)

#### Liquidity risk (Continued)

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

	Less than 1 year		Total	
	2018	2017	2018	2017
	\$	\$	\$	\$
Trade and other payables	<u>1,240,421</u>	<u>939,927</u>	<u>1,240,421</u>	<u>939,927</u>

#### 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 2018

### 11 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	
			\$	\$	\$	\$	
<b>2018</b>							
Trade and term receivables	9,958	-	-	-	-	-	9,958
Other receivables	59,442	-	-	-	-	-	59,442
Total	69,400	-	-	-	-	-	69,400
<b>2017</b>							
Trade and term receivables	270,000	-	-	-	-	-	270,000
Other receivables	62,394	-	-	-	-	-	62,394
Total	332,394	-	-	-	-	-	332,394

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.

#### Market risk

The Branch is not exposed to a material level of interest rate risk or equity price risk.

#### Net income from financial assets

	2018	2017
	\$	\$
Held-to-maturity - interest revenue	164,607	70,735

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 11 Financial Risk Management (Continued)

#### Fair value estimation

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

### 12 Key Management Personnel Disclosures

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

	2018	2017
	\$	\$
Short-term employee benefits	-	-
Post-employment benefits	-	-
Other long-term benefits	-	-
Termination benefits	-	-
<b>Total remuneration</b>	<b>-</b>	<b>-</b>

There are no office holders directly remunerated by the Branch. This function is outsourced to the New South Wales Nurses and Midwives' Association, and incorporated into the overall service agreement with them. Under this agreement, specific remuneration amounts are not separately quantifiable and hence are not able to be disclosed. Refer to note 15 for details of payments made to related parties.

### 13 Auditor's Remuneration

Remuneration of the auditor of the Branch, Daley & Co Chartered Accountants, for auditing the financial statements

Fringe Benefits Tax services

**Total**

24,000      24,500

1,925      -

**25,925      24,500**

### 14 Contingencies

In the opinion of the Branch Councillors, the Branch did not have any contingencies at 30 June 2018 (30 June 2017: None).

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 15 Related Parties

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

*(i) Key Management Personnel (KMP):*

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

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

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

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

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

**(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:

	2018	2017
	\$	\$
Capitation fees paid to Federal Office of Australian Nursing and Midwifery Federation (fees determined by Federal Office)	<b>(1,379,080)</b>	(1,310,109)
Biennial National Conference contributions to Federal Office of Australian Nursing and Midwifery Federation	<b>(26,050)</b>	(26,050)
Journal subscription fees from Federal Office of Australian Nursing and Midwifery Federation	<b>(25,642)</b>	(3,634)
CINAHL Database subscription fees from Federal Office of Australian Nursing and Midwifery Federation	<b>(17,393)</b>	(16,875)
Other reimbursements to Federal Office of Australian Nursing and Midwifery Federation	<b>(16,829)</b>	(1,400)
Meeting expenses invoiced to Federal Office of Australian Nursing and Midwifery Federation	-	1,919
Other fees invoiced to Federal Office of Australian Nursing and Midwifery Federation	-	807

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 15 Related Parties (Continued)

#### (b) Transactions with related parties (Continued)

	2018	2017
	\$	\$
Service fees received from New South Wales Nurses and Midwives' Association	21,038,636	13,618,436
Service fees paid to New South Wales Nurses and Midwives' Association	(1,260,818)	(922,500)
Transfer of employee entitlements from New South Wales Nurses and Midwives' Association	-	5,587,790
Transfer of Defined Benefit Plan obligation and associated on costs from New South Wales Nurses and Midwives' Association	-	652,478

Amounts owed to and amounts owed by the Branch to other Reporting Units are disclosed in notes 6(a) and 9 respectively.

### 16 Cash Flow Information

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

Result for the year	142,971	83,025
Non-cash flows in the operating profit (loss):		
- actuarial movement in defined benefit fund	52,265	(146,265)
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	262,994	(327,323)
- (increase)/decrease in prepayments	54,812	(85,902)
- increase in trade and other payables	300,494	934,977
- increase in employee provisions	635,066	5,793,961
- increase in net defined benefit fund liability	22,026	691,944
Net cash inflow from operating activities	<u>1,470,628</u>	<u>6,944,417</u>

#### (b) Cash flow information

##### Net cash flows (to)/from Reporting Units:

Australian Nursing and Midwifery Federation, Federal Office	(1,611,422)	(1,490,275)
New South Wales Nurses and Midwives' Association	22,117,681	19,940,748

## **Notes to the Financial Statements**

**For the Year Ended 30 June 2018**

### **17 Events occurring after the reporting date**

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Branch, the results of those operations, or the state of affairs of the Branch in future financial years.

### **18 Financial affairs administered by another entity**

The financial affairs of the Branch are administered by the New South Wales Nurses and Midwives' Association. These services are remunerated through the Service Fees from the Association. The specific fees for the administering of financial affairs cannot be quantified. All related party transactions between the two entities are recorded at note 15.

### **19 Section 272 Fair Work (Registered Organisations) Act 2009**

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

Information to be provided to members or Commissioner:

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

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

ABN: 85 726 054 782

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**Subsection 255(2A) report  
For the Year Ended 30 June 2018**

The Committee of Management presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the year ended 30 June 2018.

<b>Categories of expenditures</b>	<b>2018 \$</b>	<b>2017 \$</b>
Remuneration and other employment related costs and expenses - employees	<b>16,639,425</b>	10,347,605
Advertising	<b>4,184</b>	7,790
Operating costs	<b>4,458,303</b>	3,254,838
Donations to political parties	-	-
Legal costs	<b>4,692</b>	4,353



**Mr Brett Holmes**  
Branch Secretary

9 October 2018



## Officer Declaration Statement

For the Year Ended 30 June 2018

I, Brett Holmes, being the Branch Secretary of the Australian Nursing and Midwifery Federation New South Wales Branch, declare that the following activities did not occur during the reporting period ending 30 June 2018.

The reporting unit did not:

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

## Officer Declaration Statement

For the Year Ended 30 June 2018

- transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity
- ~~have a balance within the general fund~~
- ~~provide cash flows to another reporting unit and/or controlled entity~~
- ~~receive cash flows from another reporting units and/or controlled entity~~
- ~~have another entity administer the financial affairs of the reporting unit~~
- make a payment to a former related party of the reporting unit



**Brett Holmes**  
Branch Secretary

9 October 2018

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

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Australian Nursing and Midwifery Federation New South Wales Branch (the Reporting Unit), which comprises the balance sheet as at 30 June 2018, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended, and notes to the financial statements, including a summary of significant accounting policies, the Committee of Management Statement, the subsection 255(2A) report and the Officer Declaration Statement.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of Australian Nursing and Midwifery Federation New South Wales Branch as at 30 June 2018 and its financial performance and its cash flows for the year ended on that date in accordance with:

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

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

#### Basis for Opinion

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

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

#### Information Other than the Financial Report and Auditors Report Thereon

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

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

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

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

## **Responsibilities of Committee Of Management for the Financial Report**

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

In preparing the financial report, the Committee of Management 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**

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Reporting Unit's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee of Management.
- Conclude on the appropriateness of the Committee of Management 's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Reporting Unit's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause Reporting Unit to cease to continue as a going concern.

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


- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

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



Daley & Co  
Chartered Accountants



Stephen Milgate  
Partner

Wollongong  
9 October 2018

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

Liability limited by a Scheme approved under Professional Standards Legislation