



17 February 2015

Ms Yvonne Falckh
Branch Secretary

Australian Nursing and Midwifery Federation-Northern Territory Branch
email: secretary@anmfnt.org.au

cc: Susanne Lee, Susanne Lee & Associates Pty Ltd, email: suelee@bigpond.net.au

Dear Ms Falckh,

**Australian Nursing and Midwifery Federation-Northern Territory Branch
Financial Report for the year ended 30 June 2014 [FR2014/105]**

I acknowledge receipt of the financial report of the Australian Nursing and Midwifery Federation-Northern Territory Branch. The documents were lodged with the Fair Work Commission on 11 November 2014. Additional information was provided on 16 February 2015.

The financial report has now been filed.

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

Please note that the financial report for the year ending 30 June 2015 may be subject to an advanced compliance review.

I make the following comments to assist you when you next prepare a financial report. You are not required to take any further action in respect of the report lodged. The Fair Work Commission will confirm these concerns have been addressed prior to filing next year's report.

Going concern

Auditor's report: declaration regarding going concern

Paragraph 39 of the Reporting Guidelines requires an auditor to include in the auditor's report a declaration that as part of the audit of the financial statements they have concluded that management's use of the going concern basis of accounting in the preparation of the reporting unit's financial statements is appropriate. This declaration was not included in the auditor's report. Please ensure that the declaration is included in future years.

Related parties

Key management personnel

Australian Accounting Standard *AASB 124 Related Party Disclosures* paragraph 17 requires that the General Purpose Financial Report disclose within the statements or the notes compensation paid to key management personnel.

This normally includes a list of the key management personnel for the organisation, the total amount of compensation paid to all key management personnel, and totals for each of the following categories:

- Short term employee benefits.
- Post employment benefits.
- Other long term employee benefits.
- Termination benefits.
- Any share based payments.

The definition for these categories can be found within accounting standard *AASB 119: Employee Benefits*. Please note that this requirement is in addition to the requirement in Paragraph 16 of the Reporting Guidelines to disclose employee expenses for office holders and other employees.

Statement of comprehensive income & statement of financial position

Disclosure of employee expenses for office holders and other employees

The Reporting Guidelines require reporting units to disclose separately in the statement of comprehensive income or in the notes to the financial statements employee expenses for holders of office (Paragraph 16(f)) and employee expenses for other employees (Paragraph 16(g)). The Reporting Guidelines also require these expenses to be separately disclosed as follows:

- Wages and salaries.
- Superannuation.
- Leave and other entitlements.
- Separation and redundancies.
- Other employee expenses.

Note 4 to the financial statements discloses wages and salaries, superannuation, leave and other employee expenses separately for office holders and other employees but does not separately disclose separation and redundancies for officers and employees.

Please note that Reporting Guideline 17 states that if the activities identified in Paragraph 16 have not occurred in the reporting period, a statement of this effect must be included in the GPFR.

The Branch advised on 17 February 2015 that no expenses for separation and redundancies occurred in the reporting period. In future years please ensure that employee expenses are disclosed as required by the Reporting Guidelines.

Disclosure of employee provisions for office holders and other employees

The Reporting Guidelines also require that either the statement of financial position or the notes disclose any liability for employee benefits in respect of office holders and other employees (Paragraphs 20(c) and 20 (d)). The Reporting Guidelines also require these provisions to be separately disclosed as follows:

- Annual leave.
- Long service leave.
- Separation and redundancies.
- Other employee provisions.

Note 4 to the financial statements discloses annual leave and long service leave separately for office holders and employees, but does not separately disclose separation and redundancies and other employee provisions for office holders and other employees.

Please note that Reporting Guideline 21 states that if the activities identified in Paragraph 20 have not occurred in the reporting period, a statement to this effect must be included in the GPFR.

The Branch confirmed on 17 February 2015 that there were no provisions for separation and redundancies or other provisions in the reporting period. In future years please ensure that provisions for office holders and other employees are disclosed as required by the Reporting Guidelines.

Other

References to notes

Some inconsistencies appear in the references to notes in the financial statements. It is noted that next to the item "total income for the period" in the statement of comprehensive income there is a reference to note 6. However, the relevant breakdown of income appears to be contained in note 3 whilst note 6 contains a list of non-current assets. The statement of financial position refers to notes 9A, 9B, and 9C for non-current assets. The relevant information is contained in notes 6A, 6B and 6C. Note 9 contains information relating to non-current liabilities.

Reporting requirements

A number of factsheets in relation to the financial reporting process and associated timelines are available on the FWC website. 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 wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 8661 7942 or by email at rebecca.lee@fwc.gov.au.

Yours sincerely,



Rebecca Lee
Regulatory Compliance Branch



**AUSTRALIAN NURSING &
MIDWIFERY FEDERATION**
NORTHERN TERRITORY

16/02/2015

Ms Rebecca Lee
Regulatory Compliance Branch
Fair Work Commission
E: rebecca.lee@fwc.gov.au

Dear Ms Lee

RE: Email dated 28 November 2014

As I stated in my phone conversation with you today 16th February 2015, I had understood from our auditor Ms Sue Lee that she had addressed all outstanding issues with Ms Catherine Bebbington. My apologies if my understanding was incorrect.

Based on your email dated the 28th November 2014 the following information applies:

- Designated officer's certificate reporting unit refers to the Committee of Management.
- Breakdown of employee expenses – the ANMF NT did not have any separations or redundancies – nil.
- Breakdown of office holders and other employees separations and redundancies – nil
- Capitation – the branch pays capitation to the federal body of the Australian Nursing and Midwifery Federation (ANMF). The Branch does not receive any capitation from any sources.

I hope my response, satisfactorily answers your questions and you will be able to file the audited report.

Yours sincerely

Yvonne Falckh
Branch Secretary NT
Australian Nursing &
Midwifery Federation

From: LEE, Rebecca
To: ["info@anmfnt.org.au"](mailto:info@anmfnt.org.au)
Subject: Financial report of the ANMF, Northern Territory Branch for the year ended 30 June 2014 [FR2014/105]
Date: Friday, 28 November 2014 3:58:00 PM
Attachments: [Primary Review - FILED - please note future concerns.pdf](#)
[s253-Reporting-Guidelines-fourth-edition.pdf](#)

Good afternoon,

I contacted the branch this afternoon regarding the financial report for the year ended 30 June 2014, which was lodged on 11 November. As discussed, further information is required before the report can be filed:

- The designated officer's certificate provided with the report states that "the full report was presented to a second meeting of members of the reporting unit on 10th November 2014". Clarification is sought as to whether this was a general meeting of branch members, or a meeting of the Committee of Management.
- On 15 April 2014, the FWC sent a letter to Ms Falckh advising that the 2013 financial report had been filed and setting out a number of issues to be addressed in the 2014 financial report. I have attached this letter for your information. The last item in the letter requires disclosure of employee expenses and provisions in accordance with the Reporting Guidelines. Unfortunately, the 2014 financial report does not comply with this request. Before the report can be filed, the Branch will need to provide:
 - a breakdown of employee expenses for office holders and for other employees that includes separation and redundancies, even if that item is nil.
 - a breakdown of provisions for office holders and other employees that includes separation and redundancies and other employee provisions, even if the amounts are nil.

Please see items 16(f) and (g) and 20(c) and (d) of the Reporting Guidelines, attached to this email.

If you have any queries in relation to the matters raised in this email, please don't hesitate to contact me.

Kind regards,

REBECCA LEE
Regulatory Compliance Branch

Fair Work Commission
Tel: 03 8661 7942
Fax: 03 9655 0410
rebecca.lee@fwc.gov.au

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GPO Box 1994, Melbourne Victoria 3001

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Australian Nursing and Midwifery Federation
Northern Territory Branch

ABN 85 434 337 677

General Purpose Financial Report
for the year ended 30 June 2014

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FOR THE YEAR ENDED 30 JUNE 2014

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**Australian Nursing and Midwifery Federation Northern Territory
Branch**

SUSANNE LEE & ASSOCIATES PTY LTD

**Independent Auditor's Report to the Members of Australian Nursing and Midwifery Federation
Northern Territory Branch**

Report on the Financial Report

I have audited the accompanying financial report, being a general purpose financial report, of Australian Nursing and Midwifery Federation - Northern Territory Branch which comprises the statement of financial position as at 30 June 2014 and the statement of comprehensive income, statement of changes in equity and statement of cash flow for the year ended on that date, a summary of significant accounting policies and other explanatory information.

Committee's Responsibility for the Financial Report

The Management Committee is responsible for the preparation and fair presentation of the financial report and has determined that the basis of preparation described in Notes 2 and 3 to the financial report is appropriate to meet the requirements of the Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009 and are appropriate to meet the needs of the members. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. No opinion is expressed as to whether the accounting policies used, as described in Notes 2 and 3, are appropriate to meet the needs of members. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance 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 judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee of management, as well as evaluating the overall presentation of the financial report.

These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with the basis of accounting described in Note 2 to the financial statements so as to present a view which is consistent with my understanding of the Branches' financial position, and its performance and cash flows.

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

The financial report has been prepared for distribution to the members for the purpose of fulfilling the Management Committee's financial reporting obligations under the Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009. I disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

Independence

In conducting my audit, I have complied with the independence requirements of Australian professional ethical requirements.

Australian Nursing and Midwifery Federation Northern Territory Branch

Auditor's Opinion

In my opinion

- (a) the financial report presents fairly, in all material aspects, the financial position of Australian Nursing and Midwifery Federation - Northern Territory Branch as at 30th June 2014 and its financial performance and its cash flows for the year then ended in accordance with the accounting policies described in Notes 2 and 3 of the financial statements; and
- (b) the financial report is in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the provisions of the Fair Work (Registered Organisations) Act 2009.

Basis of Accounting

Without modifying my opinion, I draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purposes of fulfilling the Branch's financial reporting responsibilities under the Fair Work (Registered Organisations) Act 2009. As a result, the financial report may not be suitable for another purpose.



SUSANNE LEE, CPA
DATED: 27/10/2014

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Liability is limited by a scheme approved under Professional Standards legislation



**Australian Nursing and Midwifery Federation Northern Territory
Branch**

CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER

Certificate for the period ended 30 June 2014

I *Yvonne Falckh* being the Branch Secretary of the Australian Nursing and Midwifery Federation Northern Territory certify:

- that the documents lodged herewith are copies of the full report for Australian Nursing and Midwifery Federation Northern Territory for the period ended 30 June 2014 referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members of the reporting unit on *27th October 2014* and
- that the full report was presented to a second meeting of members of the reporting unit on *10th November 2014*
- in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer:



.....

Name of prescribed designated officer:

Yvonne Falckh

.....

Title of prescribed designated officer:

Branch Secretary

.....

Dated:

10th November 2014..

Australian Nursing and Midwifery Federation Northern Territory Branch

OPERATING REPORT

I, Yvonne Falckh, being the designated officer responsible for preparing this report for the financial year ended 30 June 2014 of the Australian Nursing and Midwifery Federation, Northern Territory Branch, report to the best of my knowledge as follows:

a) Principal Activities

The principle activities of the Australian Nursing and Midwifery Federation, Northern Territory Branch, are the provision of professional and industrial support to our members. S254(2)(a)

There were no significant changes in the nature of the Association's principal activities during the reporting period. S254(2)(a)

Membership increased by 112 members, since the previous operating report. All agreements were successfully negotiated and workplace conditions either remained the same or improved. In most instances government and departments were successfully lobbied to address members' conditions and concerns. In general we achieved successful outcomes for our members in the majority of cases.

b) Significant Financial Changes

There were no significant changes in the Australian Nursing and Midwifery Federation, Northern Territory Branch's financial affairs during the period to which this report relates. It must be noted that the Australian Nursing Federation applied to the FWC to change its name to Australian Nursing and Midwifery Federation. This was approved on the 25th July 2013, by Deputy President Lawrence.

c) Member's advice

- (i) under section 254(2)(c) a member may resign from membership by written notice addressed and delivered to the Branch Secretary in which he or she is a member. (Rule 10 (b) (i) Australian Nursing and Midwifery Federation Federal Rules 1994).
- (ii) The register of members of the Australian Nursing and Midwifery Federation, Northern Territory Branch, was maintained in accordance with the RO Act.
- (iii) S254 of the RO Act outlines members and the registrar's rights to certain prescribed information.

d) Trustee or director of trustee company of superannuation entity or exempt public sector superannuation scheme s254(2)(d) Yvonne Falckh is a trustee of her SMSF (SKIYFG Super Fund).

e) Prescribed and other information

- (i) As at 30 June 2014 to which this report relates, the number of members of the Australian Nursing and Midwifery Federation, Northern Territory Branch was **2707**.
- (ii) As at 30 June 2014, the total number of employees, employed by the reporting entity was **7**, equating to 3 fulltime (FTE) and 4 part time FTE equating to 2.55 FTE. **Total FTE = 5.55**
- (iv) The current office bearers during the financial year were

Shirel Nomoa	Branch President	July 2013 – June 2014
Frank Pearson	Branch Vice President	Resigned August 2013
Yvonne Falckh	Branch Secretary	July 2013 – June 2014
Annalie Fitzpatrick	Branch Executive Councilor	Resigned April 2014
Karen Brown	Branch Executive Councilor	July 2013 – June 2014
Jan Hercus	Branch Councilor	Appointed Vice President May 2014
Marlene Herron	Branch Councilor	Appointed Feb 2014
Mary Hill	Branch Councilor	Appointed April 2014

Signature of designated officer: 

Name and title of designated officer: Yvonne Falckh...

Dated : 27th October 2014

Australian Nursing and Midwifery Federation Northern Territory Branch

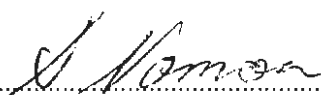
COMMITTEE OF MANAGEMENT STATEMENT

On 27 October 2014 the Committee of Management of Australian Nursing and Midwifery Federation passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2014:

The Committee of Management declares in relation to the GPFR that in its opinion:

- (iv) The financial statements and notes comply with the Australian Accounting Standards;
 - (iv) The financial statements and notes comply with the reporting guidelines of the General Manager;
 - (iv) The financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
 - (iv) There are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) During the financial year to which the GPFR relates and since the end of that year:
- (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
 - (iv) where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
 - (iv) where information has been sought in any request of a member of the reporting unit or General Manager duly made under section 272 of the RO Act has been provided to the member or General Manager; and
 - (v) where any order for inspection of financial records made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.

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

Signature of designated officer: 

Name and title of designated officer: Shirel Nomoa, Branch President...

Dated 27th October 2014

**Australian Nursing and Midwifery Federation Northern Territory
Branch**

STATEMENT of COMPREHENSIVE INCOME

For the period ended 30 June 2014

	Notes	This Year \$	Last Year \$
Income			
Total Income for the period	6	<u>1,415,608</u>	<u>1,310,840</u>
Expenses			
Staff Costs		650,935	600,502
Depreciation & Amortisation	9	47,471	47,197
Other Expenses		299,366	335,584
Legal Expenses		5,598	4,834
Grants &/or Donations		564	500
Sponsorships		2,145	0
Total Expenses		<u>1,006,079</u>	<u>988,617</u>
Surplus/(Deficit) for the period		<u>409,529</u>	<u>322,223</u>
Financial Income		0	0
Net Finance Income		0	0
Surplus/(Deficit) for the period		409,529	322,223
Other Comprehensive Income			
Other Comprehensive Income for the Period		0	0
Total Comprehensive Income for the Year		<u>409,529</u>	<u>322,223</u>

The above statement should be read in conjunction with the notes

**Australian Nursing and Midwifery Federation Northern Territory
Branch**

STATEMENT OF FINANCIAL POSITION

AS AT 30 June 2014

	Notes	2014 \$	2013 \$
Current Assets			
Cash and Cash Equivalents	5A	1,227,844	\$729,145
Trade and Other Receivables	5B	4,308	\$990
Total Current Assets		1,232,152	\$730,135
Non – Current Assets			
Land & Buildings	9A	1,351,133	1,385,263
Property, Plant & Equipment	9B	13,075	12,455
Intangibles	9C	1,614	5,274
Total Non – Current Assets		1,365,822	\$1,402,992
Total Assets		2,597,974	2,133,127
Current Liabilities			
Trade & Other Payables	7A&7B	309,867	\$270,152
Employee Benefits	8A	83,535	\$98,056
Total Current Liabilities		377,441	\$368,208
Non – Current Liabilities			
Employee Benefits	8A	66,417	\$36,293
Total Non – Current Liabilities		66,417	\$36,293
Total Liabilities		443,858	404,501
Net Assets		2,154,116	1,728.626
Reserves			
Accumulated Funds (General)	10A	2,154,116	1,728.626
Total Reserves		2,154,116	1,728.626

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

**Australian Nursing and Midwifery Federation Northern Territory
Branch**

**STATEMENT OF CHANGES IN EQUITY
for the Year Ended 30 June 2014**

	Note	Retained Earnings
Balance at 30 June 2012		\$1,406,403
Profit for the year		\$322,223
Closing balance as at 30 June 2013		\$1,728,626
Profit for the year		\$425,490
Closing balance as at 30 June 2014	10A	\$2,154,116

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

**Australian Nursing and Midwifery Federation Northern Territory
Branch**

**CASH FLOW STATEMENT
for the period ended 30 June 2014**

	Notes	2014 \$	2013 \$
OPERATING ACTIVITIES			
Net cash flows from (used by) operating activities	11	508,999	407,286
INVESTING ACTIVITIES			
Cash Received			
Proceeds from sale of Plant & Equipment		0	0
Proceeds from sale of Land & Buildings		0	0
Other		0	0
Cash Used			
Purchase of Plant & Equipment		(10,300)	(33,286)
Purchase of Land & Buildings		0	0
Net Cash Flows from (used by) investing activities		(10,300)	(33,286)
FINANCING ACTIVITIES			
Cash Received			
Contributed Equity		0	0
Other		0	0
Cash Used			
Repayment of Borrowings		0	(334,349)
Other		0	0
Net cash flows from (used by) financing activities		0	(334,349)
Net increase (decrease) in cash held		498,699	39,651
Cash & Cash Equivalents at the beginning of the reporting period		729,145	689,494
Cash & Cash Equivalents at the end of the reporting period		1,227,844	729,145

Australian Nursing and Midwifery Federation Northern Territory Branch

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

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Australian Nursing and Midwifery Federation Northern Territory Branch

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of Preparation of the Financial Statements

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the *Fair Work (Registered Organisation) Act 2009*. For the purpose of preparing the general purpose financial statements, the Australian Nursing and Midwifery Federation Northern Territory 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 at measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

1.2 Comparative amounts

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

1.3 Significant Accounting Judgments and Estimates

There were no accounting assumptions or estimates identified that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

1.4 New Australian Accounting Standards

Adoption of New Australian Accounting Standard Requirements

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

The accounting policies adopted are consistent with those of the previous financial year.

1.5 Recognition Revenue

Revenue, including revenue from membership fees, interest on investments and rentals is recognised in the accounts at the fair value of the consideration received or receivable.

Income from the supply of goods and services including reimbursements is recognised at the point of delivery of those goods or services, or as and when the reimbursed expense is incurred.

Grants are recognised when they are received. All revenue is stated net of the amount of goods and services tax (GST). Unexpended grants are shown as a liability.

1.6 Government Grants

Government grants are not recognised until there is reasonable assurance that the Australian Nursing and Midwifery Federation Northern Territory Branch will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Australian Nursing and Midwifery Federation Northern Territory Branch recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Australian Nursing and Midwifery Federation Northern Territory Branch should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Australian Nursing and Midwifery Federation Northern Territory Branch

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Australian Nursing and Midwifery Federation Northern Territory Branch with no future related costs are recognised in the Statement of Comprehensive Income in the period in which they become receivable.

1.7 Gains – Sale of Assets

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

1.8 Capitation fees and levies

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

1.9 Employee benefits

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

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

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

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

Provision is made for separation and redundancy benefit payments. Reporting Unit recognises a provision for termination when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations.

1.10 Leases

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

Where an asset is acquired by means of a finance lease, the asset is capitalised at either the fair value of the lease property or, if lower, the present value of minimum lease payments at the inception of the contract and a liability is recognised at the same time and for the same amount. The discount rate used is the interest rate implicit in the lease. Leased assets are amortised over the period of the lease. Lease payments are allocated between the principal component and the interest expense.

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

Australian Nursing and Midwifery Federation Northern Territory Branch

1.11 Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the period in which they are incurred.

1.12 Cash

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

1.13 Financial instruments

Financial assets and financial liabilities are recognised when the Australian Nursing and Midwifery Federation Northern Territory Branch entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

1.14 Other Financial Liabilities

This classification pertains to financial liabilities that are not held for trading. Included in this category are liabilities arising from operations or borrowings. The financial liabilities are recognised initially at fair value. This category includes the Branch's payables and interest bearing liabilities. A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or has expired.

1.15 Impairment of Financial Assets

The carrying amounts of property, plant & equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is recognised in the income statement for the amount by which the assets carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the assets fair value less cost to sell and value in use. For the purpose of assessing value in use, this represents depreciated current replacement cost as the Branch is a not-for-profit organisation.

1.16 Property, plant and equipment

Each class of property, plant & equipment is carried at historical cost less, where applicable less any accumulated depreciation. The Branch has adopted a policy of expensing capital items with a purchase value of less than \$5,000.

Depreciation on property, plant and equipment is calculated on the Prime Cost method and is charged against income so as to provide for the write down of cost over the estimated life of the asset to the Branch.

	2014	2013
Office Equipment	15%	15%
Furniture and Fixtures	15%	15%
Coconut Grove Office	2%	2%
Office Fit-Out	5%	5%

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An item of property, plant and equipment is de-recognised upon disposal or when no further future economic benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the Statement of Comprehensive Income.

1.17 Taxation

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

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

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

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

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

NOTE 2 EVENTS AFTER THE REPORTING PERIOD

There were no events that occurred after 30 June 2014, or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of Australian Nursing and Midwifery Federation Northern Territory Branch.

NOTE 3 REVENUE FROM ORDINARY ACTIVITIES

	2014	2013
	\$	\$
Revenues from operating activities		
Subscriptions	1,372,039	1,272,391
Sponsorships & Grants	7,273	8,000
Sundry Income	8,155	5,063
Total revenues from operating activities	<u>1,387,467</u>	<u>1,285,454</u>
Revenues from non – operating activities		
Interest received	25,141	23,659
Rental Income	3,000	1,727
Total revenues from non-operating activities	<u>28,141</u>	<u>25,386</u>
Total revenues from ordinary activities	<u><u>1,415,608</u></u>	<u><u>1,310,840</u></u>

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NOTE 4: EXPENSES

	2014 \$	2013 \$
Depreciation of non – current assets		
Office Software	3,660	3,660
Office Coconut Grove	41,229	41,154
Plant & Equipment	2,582	2,382
Total depreciation of non- current assets	47,471	47,196
Salaries & On Costs		
Appointed Employees		
A/E Wages & Salaries	367,848	336,539
A/E Superannuation	39,735	35,811
A/E Super Extra	17,195	19,579
A/E Provision for Annual Leave	-10,159	3,508
A/E Provision Long Service Leave	26,031	2,786
A/E Other Employer Expenses	4,000	48
Total Appointed Employees	444,650	398,271
Office Holders		
O/H Wages & Salaries	138,116	133,808
O/H Superannuation	16,015	14,706
O/H Qualification Allowance	3,799	3,693
O/H Vehicle Allowance	5,200	5,200
O/H Provision for Annual Leave	-4,361	-179
O/H Provision Long Service Leave	4,093	3,874
Total Office Holders	162,862	161,101
Other Employment Expenses		
Workers Compensation	10,515	8,588
Payroll Tax	30,555	30,786
Staff Amenities	2,353	1,757
Total Other Employment Expenses	43,423	41,131
Total Employment Expenses	650,935	600,502
OTHER EXPENSES		
Advertising & Promotion	83	3,040
Audit Fees	6,500	6,500
Bookwork	9,240	0
Car Parking	234	802
Corporate Branding & Name Change	15,070	
Insurance - Building	7,331	7,087
Insurance - Prof Indemnity	19,854	20,460
Rent Storage Facility	1,160	1,244
IT Expenses	13,747	14,895
Photocopier Rent & Maintenance	6,698	8,111
Printing & Stationery	2,083	3,329
Postage & Shipping	4,836	5,351
Publications	78	0
Subscriptions - ANJ & Other	46,827	46,012
Merchandise	8,108	4,491
Donations/Gifts	564	500
Occupancy	38,139	60,604

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Capitation fees	49,192	46,844
Affiliation Fees	9,374	7,812
Bargaining/Industrial/Legal	5,598	4,834
Campaigns & Functions	5,445	23,401
NT Travel & Airfares	11,061	12,777
Federal Travel & Airfares	6,632	6,604
Training & Scholarships	15,300	29,207
Financial Fees & Charges	24,519	27,016
Total Other Expenses	307,673	294,074

Note 5 Current Assets

Note 5A Cash & Cash Equivalents

Cash at Bank	131,708	58,202
Cash on Hand	430	350
Short Term Deposits	1,095,706	670,593
Total Cash & Cash Equivalents	1,227,844	729,145

Note 5B Trade & Other Receivables

GST receivables from the Australian Taxation Office	133	490
Trade Receivables	4,175	500
Total Trade & Other Receivables	4,308	990

Note 6 Non-Current Assets

Note 6A Land & Buildings

Fair Value	1,000,159	1,000,159
Accumulated depreciation	-60,009	-40,005
Improvements	453,360	446,260
Accumulated depreciation	-42,377	-21,151
Total Land & Buildings	1,351,133	1,385,263

Note 6B Plant & Equipment

Historical cost	19,083	15,880
Accumulated Depreciation	-6,008	-3,426
Total Plant & Equipment	13,075	12,455

Note 6C Intangibles

Computer Software at cost

Purchased	18,300	18,300
Accumulated amortisation	-16,686	-13,026
Total Intangibles	1,614	\$5,274

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	2014	2013
	\$	\$
Note 7 Current Liabilities		
Note 7A Trade Payables		
Trade Creditors	62,356	48,858
Note 7B Other Payables		
Subscriptions in Advance	213,259	203,467
Credit Card	1,159	0
Audit Accrual	6,500	6,000
NT Payroll Tax	3,623	0
GST Payable	380	45
Wages Accrual A/Employees	10,772	8,279
Wages Accrual O/Holder	5,189	3,502
Novated Lease	1,856	0
Superannuation	4,773	0
Total Other Payables	247,511	221,293
Note 8 Provisions		
Note 8A Employee Provisions		
Office Holders		
Annual Leave	61,755	66,116
Long Service Leave	28,727	24,635
Sub-total Employee Provisions – Office Holders	90,482	90,751
Employees other than Office Holders		
Annual Leave	21,780	31,940
Long Service Leave	37,689	11,658
Sub-total Employee provisions – Others	59,469	43,598
Total Employee Provisions	149,951	134,349
Note 9 Non-Current Liabilities		
Note 9A Loans		
No Loans		
Note 10 Equity		
Note 10A General Funds		
Balance at Start of Year	1,728,626	1,406,403
Transferred to Reserve	409,529	322,223
Balance at End of year	2,138,155	1,728,626

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NOTE 11	Cash Flows	2014	2013
		\$	\$
a) Reconciliation of cash and cash equivalent as per Balance Sheet to Cash Flow Statement			
Cash and cash equivalent as per			
	- Cash Flow Statement	1,227,844	729,145
	- Balance Sheet	1,227,844	729,145
	Difference	<u><u>0</u></u>	<u><u>0</u></u>
 b) Reconciliation of the profit (deficit) to the net cash flows from operations:			
	Profit (Deficit) for Year	<u>409,529</u>	<u>322,223</u>
 Adjustments for Non-cash Items			
	Depreciation	<u>47,471</u>	<u>47,197</u>
 Changes in Assets/Liabilities			
	(Increase)/ decrease in receivables	(3,318)	(500)
	Increase/ (decrease) in supplier payables	13,497	12,231
	Increase/ (decrease) in payables/other	26,218	26,554
	Increase/(decrease) in provisions for employee entitlements	15,602	(419)
	Net cash from (used by) Operating Activities	<u><u>508,999</u></u>	<u><u>407,286</u></u>
 Note 12 Contingent Liabilities			
No contingent liabilities exist as at 30 June 2014			
 Note 13 Related Party Disclosures			
Expenses paid to			
	Capitation Fees ANF	49,162	46,844
	Levy - ACTU	3,520	3,424
	Unions NT Affiliation Fee	5,855	4,388
	Total Related Party Disclosures	<u><u>58,537</u></u>	<u><u>54,656</u></u>
 Note 14 Remuneration of Auditor			
	Financial Statements Audit	<u>6,500</u>	<u>6,000</u>

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Note 15 Financial Instruments

The Branch's business activities are exposed to a variety of financial risks, which include credit risk, liquidity risk and market risk. Management ensures that it has sound policies and strategies in place to minimize potential adverse effects of these risks on the Branch's financial performance.

(a) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Branch. Credit risk arises from deposits with banks and receivables from third parties. The maximum exposure to credit risk at balance date is the carrying amount of financial assets as disclosed in the statement in the balance sheet and notes to the financial statements. The Branch does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Branch.

(b) Liquidity risk

Liquidity risk refers to the risk that the Branch will not be able to meet its financial obligations as they fall due and lack of funding to finance its growth and capital expenditures and working capital requirements. The following summarizes the maturity profile of the Branch's non-derivative financial liabilities based on contractual undiscounted payments:

At June 30, 2014

	On Demand-1 Year \$	1-5 Years \$	> 5 Years \$	Total \$
Trade creditors and accruals	62,356	0	0	62,356
Subscriptions in advance	213,259	0	0	213,259
	275,615	0	0	275,615

At June 30, 2013

	On Demand-1 Year \$	1-5 Years \$	>5 Years \$	Total \$
Trade creditors and accruals	65,683	0	0	65,683
Subscriptions in advance	203,467	0	0	203,467
	269,150	0	0	269,150

(c) Market risk

Market risk refers to the risk that changes in market prices, such as foreign exchange rates, interest rates and other market prices that will affect the Branch's income or the value of its holdings of financial statements. The Branch is only subject to risk on changes in interest rates.

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Branch's exposure to the risk of changes in market interest rates relates primarily to the interest bearing liabilities, which are subject to floating interest rates. The branch has no interest bearing liabilities.

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NOTE 16 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 the General Manager of Fair Work Australia:

A member of a reporting unit, or the General Manager of Fair Work Australia, 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.

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.

A reporting unit must comply with an application made under subsection (1).