



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

17 November 2017

Ms Lisa Fitzpatrick  
Secretary, Victorian Branch  
Australian Nursing and Midwifery Federation

Sent via email

Dear Ms Fitzpatrick

**Re: – Australian Nursing and Midwifery Federation, Victorian Branch - financial report for year ending 30 June 2017 (FR2017/262)**

I refer to the financial report of the Victorian Branch of the Australian Nursing and Midwifery Federation. The documents were lodged with the Registered Organisations Commission ('the ROC') on 15 November 2017.

The financial report has now 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 2018 may be subject to an advanced compliance review.

Reporting Requirements

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

Please note that new Reporting Guidelines will apply to organisations and branches with financial years *commencing* on or after 1 July 2017. Updates and information on the new guidelines will be provided through the ROC website and the [subscription service](#).

Yours faithfully

A handwritten signature in black ink, appearing to read 'Stephen Kellett', with a horizontal line extending to the right.

Stephen Kellett  
Financial Reporting  
Registered Organisations Commission

GPO Box 2983, Melbourne VIC 3001  
Telephone: 1300 341 665 | Email: [regorgs@roc.gov.au](mailto:regorgs@roc.gov.au)  
Website: [www.roc.gov.au](http://www.roc.gov.au)

**From:** Daniel Crute [<mailto:dcrute@anmfvic.asn.au>]  
**Sent:** Wednesday, 15 November 2017 4:38 PM  
**To:** ROC - Registered Org Commission  
**Subject:** HPRM: ON CMS FR2017/262 - ANMF (Vic Branch) Lodgement of Financial Report (year ended 30 June 2017)

[FR2017/262](#)

Dear Mr Bielecki,

Please find attached:

- Designated Officer's Certificate; and
- Signed Audited Financial Statements for the year ending 30 June 2017.

Yours faithfully,



**Australian  
Nursing &  
Midwifery  
Federation**  
VICTORIAN BRANCH

**Daniel Crute**  
Resources & Compliance Officer  
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ANMF (Vic Branch) Designated officers  
2017 Financial Statencertificate 15112017.

## Designated Officer's Certificate

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

I Lisa Fitzpatrick being Branch Secretary of the Australian Nursing and Midwifery Federation (Victorian Branch), 540 Elizabeth Street Melbourne 3000 certify:

- That the documents lodged herewith are copies of the full report referred to in section 268 of the *Fair Work (Registered Organisations) Act 2009*;
- That the full report was provided to members on 8 November 2017; and
- The full report was presented to a Committee of Management meeting on 14 November 2017, in accordance with section 266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature:



Date:

15 November 2017



chartered accountants

**Australian Nursing and Midwifery  
Federation (Victorian Branch)  
and Controlled Entities  
ABN: 80 571 091 192**

Financial Statements for the year ended  
30 June 2017

# Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

ABN: 80 571 091 192

## Financial Report

For the Year Ended 30 June 2017

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# Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

ABN: 80 571 091 192

## Operating Report

For the Year Ended 30 June 2017

Your Councillors present this financial report of Australian Nursing and Midwifery Federation (Victorian Branch) (the entity) and its controlled entities (the Group) for the financial year ended 30 June 2017.

### 1. Councillors

The names of the Councillors in office at any time during, or since the end of, the year are:

Ms Lisa Fitzpatrick	
Mr Paul Gilbert	
Ms Pip Carew	
Ms Maree Burgess	
Ms Lisa Auchettl	
Ms Fiona Cresswell	
Ms Madeleine Harradence	Resigned 6 June 2017
Ms Deborah Holloway	
Ms Jacqueline Kriz	
Ms Lynette Mauger	
Mr Stephen McKenzie	
Ms Jessica Mengel	Commenced 13 June 2017
Ms Hannah Metcher	Commenced 14 February 2017
Mr Andrew Morgan	Commenced 14 February 2017
Ms Rita Moreno-Diaz	
Ms Tara Nipe	Resigned 20 March 2017
Mr Timothy O'Brien	
Ms Kimberley Pentreath	
Mr Andrew Robinson	
Ms Vivienne Schembri	Resigned 27 September 2016
Ms Heather Selkrig	
Ms Lori-anne Sharp	
Ms Erin Sterritt	
Ms Rachel Weaver	
Ms Stefanie Zugna	Resigned 13 February 2017

Councillors have been in office since the start of the financial year to the date of this report unless otherwise stated.

# Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

ABN: 80 571 091 192

## Operating Report

For the Year Ended 30 June 2017

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

The principal activities of the organisation during the financial year continued to be the industrial and professional representation and education of persons studying and/or providing nursing and midwifery. No significant change in the nature of these activities occurred during the year.

The results of the principal activities are as follows:

- Increase in number of members from 75,865 to 79,019 for the year
- Provision of member employment legal services and indemnity insurance
- Completion of the negotiations for the 2016-2020 Private, Acute and Public Mental Health enterprise agreements
- Participation in various and state national campaigns to raise awareness of the invaluable and skilled work of nurses, midwives and carers along with securing enterprise agreements for members working in a variety of sectors e.g. Private Aged Care, Local Government, Private Acute and Government sector
- Involvement in various state committees and inquiries dealing with nursing and midwifery issues, such as occupational violence and aggression prevention, voluntary assisted dying and domestic violence.
- An increase in the number of attendees to conferences, seminars, training programmes, professional development opportunities, accredited and non-accredited courses.
- N.S.E. RTO Pty Ltd trading as ANMF (Vic Branch) Education Centre ("ANMF") successfully applied for registration as a Registered Training Organisation with the VRQA
- Construction and fit out work has progressed on a new ANMF (Vic Branch) headquarters which will feature expanded education and auditorium facilities for members and students

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

There were no significant changes to the entity's financial affairs during the financial year.

### **Resignation from membership**

A member of Australian Nursing and Midwifery Federation (Victorian Branch) may resign from membership by written notice (including electronically) addressed and delivered to a person designated for the purpose in the rules of the entity in accordance with section 10 of the entity's rules and section 174 of the Fair Work (Registered Organisations) Act 2009.

# Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

ABN: 80 571 091 192

## Operating Report

For the Year Ended 30 June 2017

### Trustee of superannuation entity

1. Lisa Fitzpatrick who was a director of First State Super for the period from 1 July 2016 to 30 June 2017. Director fees have been paid to Australian Nursing and Midwifery Federation (Victorian Branch); and
2. Pip Carew, who was a director of HESTA Super Fund from 1 July 2016 to 30 June 2017. Director fees have been paid to Australian Nursing and Midwifery Federation (Victorian Branch).

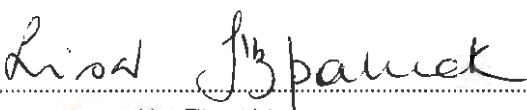
With the exception of the above, to the best of our knowledge there are no officeholders or members of Australian Nursing and Midwifery Federation (Victorian Branch) who acts as a trustee of a superannuation entity or an exempt public sector superannuation scheme; or a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme.


### Other Prescribed Information

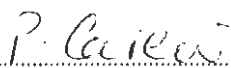
In accordance with Regulation 159 of the Fair Work (Registered Organisation) Regulations 2009:

- The number of members at the end of the financial year was 79,019 (2016: 75,865).
- The number of full time equivalent employees at the end of the financial year was 130 (2016: 133).

Signed in accordance with a resolution of the Branch Council:

Secretary: .....   
Lisa Fitzpatrick

Assistant Secretary: .....   
Paul Gilbert

Assistant Secretary: .....   
Pip Carew

Dated 10 October 2017



# Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

ABN: 80 571 091 192

## Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2017

	Note	Consolidated		Parent	
		2017	2016	2017	2016
		\$	\$	\$	\$
Revenue	2	36,013,351	34,439,509	36,588,402	34,943,261
Other income	2	206,414	244,335	206,414	244,335
Employee benefits expense	3(a)	(15,599,370)	(15,399,413)	(15,599,370)	(15,399,413)
Administration expense		(1,710,276)	(1,818,101)	(1,710,276)	(1,812,651)
Journal expense	3(b)	(1,156,627)	(1,291,196)	(1,156,627)	(1,291,196)
Capitation Fees - ANMF Federal Office		(1,492,347)	(1,396,775)	(1,492,347)	(1,396,775)
Depreciation and amortisation expense		(676,548)	(955,234)	(667,713)	(619,190)
Education and training expense		(435,296)	(481,021)	(435,296)	(480,362)
Professional indemnity insurance		(469,014)	(525,895)	(469,014)	(525,895)
Legal expense	3(c)	(800,499)	(729,275)	(744,207)	(729,275)
Finance cost	3(d)	(277,065)	(236,200)	(274,075)	(233,820)
Occupancy expense		(943,246)	(711,408)	(1,754,420)	(1,670,768)
Member/Rep. professional development		(323,637)	(313,702)	(323,637)	(313,702)
Affiliation and levy fees	3(e)	(306,387)	(307,661)	(306,387)	(307,661)
Grants expense	3(f)	(22,689)	(72,654)	(22,689)	(72,654)
Donations expense	3(f)	(35,720)	(39,221)	(35,720)	(39,221)
Gain/ (Loss) on sale of assets		12,673	7,963	12,673	7,963
EBA campaign expenses	3(g)	(316,436)	(724,958)	(316,436)	(724,958)
Meeting expenses		(55,583)	(52,096)	(55,583)	(52,096)
Conference expenses		(720,163)	(474,565)	(720,163)	(474,565)
Other expenses		(1,045,309)	(880,653)	(886,013)	(777,586)
Surplus before income tax		9,846,226	8,281,779	9,837,516	8,273,771
Income tax expense		(2,134)	(4,038)	-	-
<b>Surplus for the year</b>		<b>9,844,092</b>	<b>8,277,741</b>	<b>9,837,516</b>	<b>8,273,771</b>
<b>Other comprehensive income:</b>					
Items that will be reclassified subsequently to profit or loss when specific conditions are met		-	-	-	-
Items that will not be reclassified subsequently to profit or loss		-	-	-	-
<b>Total comprehensive income for the year</b>		<b>9,844,092</b>	<b>8,277,741</b>	<b>9,837,516</b>	<b>8,273,771</b>

The accompanying notes form part of these financial statements.

# Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

ABN: 80 571 091 192

## Statement of Financial Position

As at 30 June 2017

	Note	Consolidated		Parent	
		2017 \$	2016 \$	2017 \$	2016 \$
<b>ASSETS</b>					
CURRENT ASSETS					
Cash and cash equivalents	4	15,838,443	16,692,622	10,577,691	16,553,319
Trade and other receivables	5	164,801	363,134	115,288	319,168
Assets held for sale	6	25,225,000	25,225,000	-	-
Other assets	10	763,511	264,634	344,502	264,634
<b>TOTAL CURRENT ASSETS</b>		<b>41,991,755</b>	<b>42,545,390</b>	<b>11,037,481</b>	<b>17,137,121</b>
NON-CURRENT ASSETS					
Trade and other receivables	5	-	-	51,933,259	37,933,204
Financial assets	7	-	-	64	64
Property, plant and equipment	8	74,540,126	24,886,067	2,338,929	1,979,854
Intangible assets	9	148,044	266,919	148,044	266,919
<b>TOTAL NON-CURRENT ASSETS</b>		<b>74,688,170</b>	<b>25,152,986</b>	<b>54,420,296</b>	<b>40,180,041</b>
<b>TOTAL ASSETS</b>		<b>116,679,925</b>	<b>67,698,376</b>	<b>65,457,777</b>	<b>57,317,162</b>
<b>LIABILITIES</b>					
CURRENT LIABILITIES					
Trade and other payables	11	4,781,457	3,045,869	1,108,079	3,081,401
Borrowings	12	32,214,932	416,580	459,932	411,580
Current tax liabilities		2,134	5,461	-	-
Short-term provisions	13	4,987,428	4,643,723	4,987,428	4,643,723
Other liabilities	14	7,498,394	4,581,664	4,445,229	4,480,716
<b>TOTAL CURRENT LIABILITIES</b>		<b>49,484,345</b>	<b>12,693,297</b>	<b>11,000,668</b>	<b>12,617,420</b>
NON-CURRENT LIABILITIES					
Borrowings	12	2,894,261	480,180	467,703	480,180
Provisions	13	222,830	290,502	222,830	290,502
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>3,117,091</b>	<b>770,682</b>	<b>690,533</b>	<b>770,682</b>
<b>TOTAL LIABILITIES</b>		<b>52,601,436</b>	<b>13,463,979</b>	<b>11,691,201</b>	<b>13,388,102</b>
<b>NET ASSETS</b>		<b>64,078,489</b>	<b>54,234,397</b>	<b>53,766,576</b>	<b>43,929,060</b>

The accompanying notes form part of these financial statements.

# Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

ABN: 80 571 091 192

## Statement of Financial Position

As at 30 June 2017

	Consolidated		Parent	
Note	2017	2016	2017	2016
	\$	\$	\$	\$
<b>EQUITY</b>				
Reserves	11,049,695	11,170,084	751,650	872,039
Accumulated surpluses	53,028,794	43,064,313	53,014,926	43,057,021
<b>TOTAL EQUITY</b>	<b>64,078,489</b>	<b>54,234,397</b>	<b>53,766,576</b>	<b>43,929,060</b>

The accompanying notes form part of these financial statements.

## Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

ABN: 80 571 091 192

### Statement of Changes in Equity

For the Year Ended 30 June 2017

2017

#### Parent

	Accumulated Surpluses	ACTU Levy Fund	Asset Revaluation Reserve	Members Entitlement Protection Fund	General Reserve	Legal services Reserve	Total
	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2016	43,057,021	120,000	-	400,000	52,039	300,000	43,929,060
Surplus for the year	9,837,516	-	-	-	-	-	9,837,516
<b>Transfers to and from reserves</b>							
- ACTU levy fund	120,000	(120,000)	-	-	-	-	-
- General reserve	389	-	-	-	(389)	-	-
Balance at 30 June 2017	53,014,926	-	-	400,000	51,650	300,000	53,766,576

The accompanying notes form part of these financial statements.

## Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

ABN: 80 571 091 192

### Statement of Changes in Equity

For the Year Ended 30 June 2017

2016

#### Parent

	Accumulated Surpluses \$	ACTU Levy Fund \$	Asset Revaluation Reserve \$	Members Entitlement Protection Fund \$	General Reserve \$	Legal services Reserve \$	Total \$
Balance at 1 July 2015	34,785,799	120,000	-	400,000	49,490	300,000	35,655,289
Surplus for the year	8,273,771	-	-	-	-	-	8,273,771
Transfers to and from reserves							
- General reserve	(2,549)	-	-	-	2,549	-	-
Balance at 30 June 2016	43,057,021	120,000	-	400,000	52,039	300,000	43,929,060

The accompanying notes form part of these financial statements.

## Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

ABN: 80 571 091 192

### Statement of Changes in Equity

For the Year Ended 30 June 2017

2017

#### Consolidated

	Accumulated Surpluses	ACTU Levy Fund	Asset Revaluation Reserve	Members Entitlement Protection Fund	General Reserve	Legal services Reserve	Total
	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2016	43,064,313	120,000	10,298,045	400,000	52,039	300,000	54,234,397
Surplus for the year	9,844,092	-	-	-	-	-	9,844,092
<b>Transfers to and from reserves</b>							
- ACTU levy fund	120,000	(120,000)	-	-	-	-	-
- General reserve	389	-	-	-	(389)	-	-
Balance at 30 June 2017	53,028,794	-	10,298,045	400,000	51,650	300,000	64,078,489

The accompanying notes form part of these financial statements.

## Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

ABN: 80 571 091 192

### Statement of Changes in Equity

For the Year Ended 30 June 2017

2016

#### Consolidated

	Accumulated Surpluses \$	ACTU Levy Fund \$	Asset Revaluation Reserve \$	Members Entitlement Protection Fund \$	General Reserve \$	Legal services Reserve \$	Total \$
Balance at 1 July 2015	34,789,121	120,000	10,298,045	400,000	49,490	300,000	45,956,656
Surplus for the year	8,277,741	-	-	-	-	-	8,277,741
<b>Transfers to and from reserves</b>							
- General reserve	(2,549)	-	-	-	2,549	-	-
<b>Balance at 30 June 2016</b>	<b>43,064,313</b>	<b>120,000</b>	<b>10,298,045</b>	<b>400,000</b>	<b>52,039</b>	<b>300,000</b>	<b>54,234,397</b>

The accompanying notes form part of these financial statements.

# Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

ABN: 80 571 091 192

## Statement of Cash Flows

For the Year Ended 30 June 2017

	Note	Consolidated		Parent	
		2017	2016	2017	2016
		\$	\$	\$	\$
<b>Cash from operating activities:</b>					
Receipts from members and customers		42,035,583	37,817,266	40,435,311	38,092,384
Payments to suppliers and employees		(31,943,433)	(28,721,383)	(29,470,087)	(27,447,985)
Interest received		146,130	422,796	136,459	422,686
Interest and other costs of finance paid		(277,065)	(236,200)	(274,075)	(233,820)
Income tax paid		(5,461)	-	-	-
<b>Net cash provided by operating activities</b>	22	<b>9,955,754</b>	<b>9,282,479</b>	<b>10,827,608</b>	<b>10,833,265</b>
<b>Cash flows from investing activities:</b>					
Proceeds from sale of plant and equipment		211,604	171,209	211,604	171,209
Deposit received for sale of assets held for sale		2,583,000	-	-	-
Redemption/(placement) of term deposits		-	7,280,745	-	7,280,745
Interest paid on capital work in progress		(1,023,162)	-	-	-
Payment for intangible assets		(19,813)	(201,358)	(19,813)	(201,358)
Acquisition of property, plant and equipment		(46,773,995)	(8,083,479)	(1,087,031)	(634,641)
Loans to related parties (payments and repayments made)		-	-	(15,943,870)	(8,803,237)
<b>Net cash used by investing activities</b>		<b>(45,022,366)</b>	<b>(832,883)</b>	<b>(16,839,110)</b>	<b>(2,187,282)</b>
<b>Cash flows from financing activities:</b>					
Procurement/(repayment) of borrowings		34,212,433	(76,925)	35,874	(76,925)
<b>Net cash provided by financing activities</b>		<b>34,212,433</b>	<b>(76,925)</b>	<b>35,874</b>	<b>(76,925)</b>
<b>Net cash increase (decreases) in cash and cash equivalents</b>		<b>(854,179)</b>	<b>8,372,671</b>	<b>(5,975,628)</b>	<b>8,569,058</b>
Cash and cash equivalents at beginning of year		16,692,622	8,319,951	16,533,319	7,984,261
<b>Cash and cash equivalents at end of year</b>	4	<b>15,838,443</b>	<b>16,692,622</b>	<b>10,557,691</b>	<b>16,553,319</b>

The accompanying notes form part of these financial statements.



# Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

ABN: 80 571 091 192

## Notes to the Financial Statements

For the Year Ended 30 June 2017

The financial report includes the consolidated financial statements and notes for Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities ("Group"), and the separate financial statements and notes of Australian Nursing and Midwifery Federation - Victorian Branch as an individual entity ("Parent Entity").

### 1 Summary of Significant Accounting Policies

#### (a) Basis of preparation

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the Fair Work (Registered Organisation) Act 2009. For the purpose of preparing the general purpose financial statements, the Australian Nursing and Midwifery Federation (Victorian 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.

#### (b) Comparative figures

When required by Australian Accounting Standards and the Fair Work (Registered Organisation) Act 2009, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

#### (c) Principles of consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by the Australian Nursing and Midwifery Federation (Victorian Branch) at the end of the reporting period. The parent controls an entity if it is exposed, or has rights, to variable returns from its involvement with the controlled entity and has the ability to affect those returns through its power over the controlled entity. The controlled entities have a reporting date of 30 June.

Income and expense of subsidiaries acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate. Total surplus of subsidiaries are attributed to Australian Nursing and Midwifery Federation (Victorian Branch).

In preparing the consolidated financial statements, all inter-group balances and transactions between entities in the Group have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Details on the controlled entities are contained in Note 21(a) of the financial statements.

The activities of Victorian Nurses Welfare and Hardship Trust Fund and Special Interest Group were not consolidated with the Australian Nursing and Midwifery Federation (Victorian Branch) on the basis that these funds are controlled by its members and not by the Victorian Branch Council. Further details are contained in note 21(b).

# Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

ABN: 80 571 091 192

## Notes to the Financial Statements

For the Year Ended 30 June 2017

### 1 Summary of Significant Accounting Policies

#### (d) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated, less, where applicable, accumulated depreciation and impairment losses.

##### Freehold Property

Freehold land and buildings at 532 & 540 Elizabeth St Melbourne VIC are shown at their fair value based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings. These land and buildings were transferred to current assets held for sale at the end of 2016-17 financial year.

Increases in the carrying amount arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in the revaluation surplus in equity. Revaluation decreases that offset previous increases of the same class of assets shall be recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are expensed in profit or loss.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

##### Property held for redevelopment

Land and building held for redevelopment is classified as capital works in progress and is measured at cost. No depreciation is charged on capital works in progress.

##### Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

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

##### Depreciation

The depreciable amount of fixed assets (excluding land and buildings and including capitalised leased assets) is depreciated on a diminishing value basis and over the asset's useful life to the Group commencing from the time the asset is held ready for use.

# Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

ABN: 80 571 091 192

## Notes to the Financial Statements

For the Year Ended 30 June 2017

### 1 Summary of Significant Accounting Policies

#### (d) Property, plant and equipment

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

Class of Fixed Asset	Depreciation Rate
Buildings	2.5% - 5%
Plant and Equipment	15% - 30%
Motor Vehicles	25%
Leasehold improvements	33%

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

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in profit or loss. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to accumulated surpluses.

#### (e) Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell.

Assets classified as held for sale are not amortised or depreciated.

Non-current assets classified as held for sale and any associated liabilities are presented separately in the statement of financial position.

#### (f) Financial instruments

##### Initial recognition and measurement

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

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

# Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

ABN: 80 571 091 192

## Notes to the Financial Statements

For the Year Ended 30 June 2017

### 1 Summary of Significant Accounting Policies

#### (f) Financial instruments

##### Classification and subsequent measurement

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

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

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

##### (i) Loans and receivables

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

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

##### (ii) Held-to-maturity investments

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

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

##### (iii) Financial liabilities

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

##### Impairment

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

# Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

ABN: 80 571 091 192

## Notes to the Financial Statements

For the Year Ended 30 June 2017

### 1 Summary of Significant Accounting Policies

#### (f) Financial instruments

##### Derecognition

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

#### (g) Impairment

At the end of each reporting period, the Group reviews the carrying values of its assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use or depreciated replacement cost, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the profit or loss.

Where an impairment loss on a revalued asset is identified, this is debited against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

#### (h) Intangible Assets

##### Amortisation

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

#### (i) Cash and cash equivalents

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 also form part of cash equivalents for the purpose of the statement of cash flows and are presented within short-term borrowing in current liabilities on the consolidated statement of financial position.

# Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

ABN: 80 571 091 192

## Notes to the Financial Statements

For the Year Ended 30 June 2017

### 1 Summary of Significant Accounting Policies

#### (j) Employee benefits

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to the end of the reporting period including on-costs. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year 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 not satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

Contributions are made by the Federation to employee superannuation funds and are charged as expenses when incurred.

#### (k) Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Group during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

#### (l) Income taxes

No provision for income tax has been raised as the Federation is exempt from income tax under Div 50 of the Income Tax Assessment Act 1997. The Group has obligation for Fringe Benefit Tax (FBT) and Goods and Services Tax (GST).

Tax is recognised for the controlled entities on an accruals basis. The income tax expense (income) for the year comprises current income tax expense (income) for the controlled entities. The controlled entities do not recognise deferred tax assets or liabilities. Current income tax expense charged to the profit or loss is the tax payable on taxable income and is measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

#### (m) 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.

#### (n) Revenue

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

# Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

ABN: 80 571 091 192

## Notes to the Financial Statements

For the Year Ended 30 June 2017

### 1 Summary of Significant Accounting Policies

#### (n) Revenue

Grant and sponsorship revenue is recognised in the statement of profit or loss when the Group obtains control of the grant or sponsorship, it is probable that the economic benefits gained from the grant or sponsorship will flow to the Group and the amount of the grant or sponsorship can be measured reliably. If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

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

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

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

Student fees of non-accredited courses and professional development fees are recognised as income when received. RTO related fees are recognised as income once a student's course is completed.

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

#### (o) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis, except for the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the ATO. The GST component of financing and investing activities which is recoverable from, or payable to, the ATO is classified as a part of operating cash flows. Accordingly, investing and financing cash flows are presented in the statement of cash flows net of the GST that is recoverable from, or payable to, the ATO.

#### (p) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset.

# Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

ABN: 80 571 091 192

## Notes to the Financial Statements

For the Year Ended 30 June 2017

### 1 Summary of Significant Accounting Policies

#### (q) Critical Accounting Estimates and Judgments

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

##### (i) Key Estimates - Impairment

The Group assessed impairment at the end of each reporting period by evaluation of conditions and events specific to the Group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using depreciated replacement cost calculations which incorporate various key assumptions.

The carrying value of assets held for sale is based on independent valuation provided by Charter Keck Cramer on 4 August 2015. Assets held for sale consist of freehold land and buildings for 532 and 540 Elizabeth St, Melbourne VIC. During the year, these properties were contracted to sell with expected settlement date to be on September 2017.

The freehold land and buildings at 529 - 541 Elizabeth Street Melbourne VIC were purchased in November 2012 for the purpose of redevelopment is classified as capital works in progress.

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

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

#### (r) New Australian Accounting Standards

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the organisation. The group has decided not to early adopt any of the new and amended pronouncements. The group's assessment of the new and amended pronouncements that are relevant to the group but applicable in future reporting periods is set out below:

##### **AASB 15: Revenue from Contracts with Customers**

(applicable for annual reporting periods commencing on or after 1 January 2019)

When effective, this Standard will replace the current accounting requirements applicable to revenue with a single, principles-based model. Except for a limited number of exceptions, including leases, the new revenue model in AASB 15 will apply to all contracts with customers as well as non-monetary exchanges between entities in the same line of business to facilitate sales to customers and potential customers.

The core principle of the Standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for the goods or services. To achieve this objective, AASB 15 provides the following five-step process:



# Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

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## Notes to the Financial Statements

For the Year Ended 30 June 2017

### 1 Summary of Significant Accounting Policies

#### (r) New Australian Accounting Standards

- identify the contract(s) with a customer;
- identify the performance obligations in the contract(s);
- determine the transaction price;
- allocate the transaction price to the performance obligations in the contract(s); and
- recognise revenue when (or as) the performance obligations are satisfied.

This Standard will require retrospective restatement, as well as enhanced disclosures regarding revenue.

The Branch Council anticipate that the adoption of AASB 15 will not have a significant impact on the group's financial statements.

#### **AASB 16: Leases**

(applicable for annual reporting periods commencing on or after 1 January 2019)

AASB 16 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligations to make lease payments.

A lessee measures right-of-use assets similarly to other non-financial assets (such as property, plant and equipment) and lease liabilities similarly to other financial liabilities. As a consequence, a lessee recognises depreciation of the right-of-use asset and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and an interest portion and presents them in the statement of cash flows applying AASB 107 Statement of Cash Flows.

Assets and liabilities arising from a lease are initially measured on a present value basis. The measurement includes non-cancellable lease payments (including inflation-linked payments), and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or not to exercise an option to terminate the lease.

Although the Branch Council anticipate that the adoption of AASB 16 may have an impact on the group's financial statements, it is impracticable at this stage to provide a detailed assessment of such impact.

The parent entity leases its property from a controlled entity. The new standard will result in Land and Buildings being recognised as a right to occupy asset and a corresponding lease liability. The lease cost will be recognised as a nominal lease cost and lease interest. The lease interest will be higher in the early years of the lease.

# Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

ABN: 80 571 091 192

## Notes to the Financial Statements

For the Year Ended 30 June 2017

### 2 Revenue and Other Income

	Consolidated		Parent	
	2017	2016	2017	2016
	\$	\$	\$	\$
<b>Revenue</b>				
- Membership subscription fees	<b>33,695,484</b>	31,964,758	<b>33,695,484</b>	31,964,758
- Education and training income	<b>429,752</b>	602,717	<b>13,656</b>	416,465
- Conference and sponsorship income	<b>1,092,041</b>	903,439	<b>1,092,041</b>	903,439
- Distributions received	-	-	<b>780,859</b>	692,177
- Rent received	<b>185,772</b>	172,396	-	-
- Professional development	<b>446,569</b>	309,166	<b>151,700</b>	-
- Interest received	<b>146,130</b>	422,796	<b>136,459</b>	422,686
- Merchandise sales	<b>17,603</b>	64,237	<b>17,603</b>	64,237
- Management fee	-	-	<b>700,600</b>	479,500
- Capitation fees	-	-	-	-
- Levy income	-	-	-	-
- Donations and grants received	-	-	-	-
<b>Total revenue</b>	<b>36,013,351</b>	34,439,509	<b>36,588,402</b>	34,943,261
<b>Other income</b>				
- Sundry income	<b>206,414</b>	244,335	<b>206,414</b>	244,335
<b>Total other income</b>	<b>206,414</b>	244,335	<b>206,414</b>	244,335

# Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

ABN: 80 571 091 192

## Notes to the Financial Statements

For the Year Ended 30 June 2017

### 3 Surplus from Ordinary Activities

#### (a) Employee Expense

	Consolidated		Parent	
	2017	2016	2017	2016
	\$	\$	\$	\$
<b>Holders of office</b>				
Wages and salaries	496,490	469,801	496,490	469,801
Superannuation	83,352	80,376	83,352	80,376
Leave entitlements	97,009	122,381	97,009	122,381
Separation and redundancies	-	-	-	-
Other employee expenses	12,465	13,910	12,465	13,910
<b>Subtotal employee expenses - holders of office</b>	<b>689,316</b>	<b>686,468</b>	<b>689,316</b>	<b>686,468</b>
<b>Employees (including contract staff) other than office holders:</b>				
Wages and salaries	9,792,789	9,711,072	9,792,789	9,711,072
Superannuation	1,673,197	1,627,110	1,673,197	1,627,110
Leave entitlements	2,125,817	2,154,845	2,125,817	2,154,845
Separation and redundancies	147,700	126,031	147,700	126,031
Payroll tax and workcover	824,885	735,680	824,885	735,680
Other employee expenses	345,666	358,207	345,666	358,207
<b>Subtotal employee expenses- employees other than office holders</b>	<b>14,910,054</b>	<b>14,712,945</b>	<b>14,910,054</b>	<b>14,712,945</b>
<b>Total employee benefit expenses</b>	<b>15,599,370</b>	<b>15,399,413</b>	<b>15,599,370</b>	<b>15,399,413</b>

# Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

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## Notes to the Financial Statements

For the Year Ended 30 June 2017

### 3 Surplus from Ordinary Activities

#### (b) Journal Expense

	Consolidated		Parent	
	2017	2016	2017	2016
	\$	\$	\$	\$
Australian Nursing and Midwifery Journal (ANMJ) subscription fees- ANMF Federal Office	982,739	1,039,452	982,739	1,039,452
Other journal expenses	173,888	251,744	173,888	251,744
<b>Total journal expenses</b>	<b>1,156,627</b>	<b>1,291,196</b>	<b>1,156,627</b>	<b>1,291,196</b>

#### (c) Legal expense

Litigation fees	744,207	728,136	744,207	728,136
Other legal matters	56,292	1,139	-	1,139
<b>Total legal expense</b>	<b>800,499</b>	<b>729,275</b>	<b>744,207</b>	<b>729,275</b>

#### (d) Finance cost

Hire purchase charges	42,593	40,185	42,593	40,185
Bank fees and interest expense	234,472	196,015	231,481	193,635
<b>Total finance costs</b>	<b>277,065</b>	<b>236,200</b>	<b>274,074</b>	<b>233,820</b>

# Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

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## Notes to the Financial Statements

For the Year Ended 30 June 2017

### 3 Surplus from Ordinary Activities

#### (e) Affiliation and Levy fees

	Consolidated		Parent	
	2017	2016	2017	2016
	\$	\$	\$	\$
<b>Affiliation Fees</b>				
Ballarat Trades and Labour	6,160	6,855	6,160	6,855
Bendigo Trades Hall	1,264	1,261	1,264	1,261
Geelong Trades Hall	12,870	12,646	12,870	12,646
Gippsland Trades and Labour	1,468	3,443	1,468	3,443
Goulburn Trades & Labour	955	891	955	891
North East & Border Trades	1,700	1,669	1,700	1,669
South West Trades & Labour	1,208	938	1,208	938
Sunraysia Trades & Labour Council	532	709	532	709
Victorian Trades Hall Council	280,230	181,273	280,230	181,273
<b>Total Affiliation Fees</b>	<b>306,387</b>	<b>209,685</b>	<b>306,387</b>	<b>209,685</b>
<b>Levies</b>				
ACTU Levy - paid through ANMF Federal Office	-	97,976	-	97,976
<b>Total Levies</b>	<b>-</b>	<b>97,976</b>	<b>-</b>	<b>97,976</b>
<b>Total Affiliation and Levy Fees</b>	<b>306,387</b>	<b>307,661</b>	<b>306,387</b>	<b>307,661</b>

# Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

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## Notes to the Financial Statements

For the Year Ended 30 June 2017

### 3 Surplus from Ordinary Activities

#### (f) Donations and grants expense

	Consolidated		Parent	
	2017	2016	2017	2016
	\$	\$	\$	\$
<b>Grants</b>				
Total paid that were \$1,000 or less	17,689	17,718	17,689	17,718
Total paid that exceeded \$1,000	5,000	54,936	5,000	54,936
<b>Total grants</b>	<b>22,689</b>	<b>72,654</b>	<b>22,689</b>	<b>72,654</b>
<b>Donations</b>				
Total paid that were \$1,000 or less	13,420	8,658	13,420	8,658
Total paid that exceeded \$1,000	22,300	30,563	22,300	30,563
<b>Total donations</b>	<b>35,720</b>	<b>39,221</b>	<b>35,720</b>	<b>39,221</b>
<b>Total grants and donations</b>	<b>58,409</b>	<b>111,875</b>	<b>58,409</b>	<b>111,875</b>

#### (g) Other expenses disclosure

Commission charged on collection of subscriptions	1,535	1,731	1,535	1,731
Net (gain)/loss on disposal of property, plant and equipment	(12,673)	(7,963)	(12,673)	(7,963)
EBA campaign expenses for various sectors	316,436	724,958	316,436	724,958
Penalties- via RO Act or RO Regulations	-	-	-	-

### 4 Cash and Cash Equivalents

Cash at bank and in hand	4,966,189	2,366,931	2,211,849	2,227,628
Short-term bank deposits	10,872,254	14,325,691	8,365,842	14,325,691
	<b>15,838,443</b>	<b>16,692,622</b>	<b>10,577,691</b>	<b>16,553,319</b>

# Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

ABN: 80 571 091 192

## Notes to the Financial Statements

For the Year Ended 30 June 2017

### 5 Trade and other receivables

	Note	Consolidated		Parent	
		2017 \$	2016 \$	2017 \$	2016 \$
CURRENT					
Trade receivables		164,801	363,134	115,288	319,168
		<b>164,801</b>	<b>363,134</b>	<b>115,288</b>	<b>319,168</b>
NON-CURRENT					
Loan receivable from N.S.E Property Trust	5(a)	-	-	51,933,259	37,933,004
Loan receivable from N.S.E RTO Pty Ltd		-	-	-	200
		<b>-</b>	<b>-</b>	<b>51,933,259</b>	<b>37,933,204</b>

(a) Loans were provided to N.S.E Property Trust to fund the purchase of land and buildings, building costs for redevelopment and extensions to the buildings. The terms of the loans are interest free. There are no assets held as security on the loans. N.S.E Property Trust is controlled by ANMF (Victorian Branch).

(b) As at 30 June 2017, receivables from ANMF Federal Office amounts to \$19,866.

### 6 Assets held for sale

Land and buildings	25,225,000	25,225,000	-	-
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During the financial year, the group contracted to sell the freehold land and buildings at 532 and 540 Elizabeth St Melbourne Vic. Settlement date is expected to be on September 2017. Contract selling price less cost to sell is \$29,583,000. The group has received 10% deposit for this sales contract and recognised the selling commission of \$417,000 as a prepayment in the current year.

# Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

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## Notes to the Financial Statements

For the Year Ended 30 June 2017

### 7 Other Financial Assets

CURRENT

NON-CURRENT

Investment in N.S.E Property Trust		-	-	<b>10</b>	10
Investment in N.S.E Property Pty Ltd	7(a)	-	-	<b>4</b>	4
Investment in N.S.E RTO Pty Ltd	7(b)	-	-	<b>50</b>	50
		-	-	<b>64</b>	64

(a) Investment in N.S.E Property Pty Ltd are shares held in the names of the Victorian Branch's secretary and assistant secretaries in trust for Australian Nursing and Midwifery Federation (Victorian Branch).

(b) All shares in N.S.E RTO Pty Ltd are held in the name of Australian Nursing and Midwifery Federation (organisation number: 169 549 197).



# Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

ABN: 80 571 091 192

## Notes to the Financial Statements

For the Year Ended 30 June 2017

### 8 Property plant and equipment

	Consolidated		Parent	
	2017	2016	2017	2016
	\$	\$	\$	\$
<b>LAND AND BUILDINGS</b>				
<b>Capital works in progress</b>				
At cost - land (b)	11,277,611	11,277,611	-	-
At cost - construction works	60,888,245	11,584,426	-	-
Total capital works in progress	72,165,856	22,862,037	-	-
Total land and buildings	72,165,856	22,862,037	-	-
<b>PLANT AND EQUIPMENT</b>				
<b>Plant and equipment</b>				
At cost	4,442,327	3,895,420	3,354,812	2,807,905
Less accumulated depreciation	(3,083,731)	(2,850,846)	(2,031,557)	(1,807,507)
Total plant and equipment	1,358,596	1,044,574	1,323,255	1,000,398
<b>Motor vehicles</b>				
At cost	1,440,934	1,389,347	1,440,934	1,389,347
Less accumulated depreciation	(475,147)	(484,350)	(475,147)	(484,350)
Total motor vehicles	965,787	904,997	965,787	904,997
<b>Improvements</b>				
At cost	277,948	277,948	277,948	277,948
Less accumulated depreciation	(228,061)	(203,489)	(228,061)	(203,489)
Total improvements	49,887	74,459	49,887	74,459
<b>Total plant and equipment</b>	<b>2,374,270</b>	<b>2,024,030</b>	<b>2,338,929</b>	<b>1,979,854</b>
<b>Total property, plant and equipment</b>	<b>74,540,126</b>	<b>24,886,067</b>	<b>2,338,929</b>	<b>1,979,854</b>

## Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

ABN: 80 571 091 192

### Notes to the Financial Statements

For the Year Ended 30 June 2017

#### 8 Property plant and equipment

##### (a) Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

#### Parent

	Plant and Equipment	Motor Vehicles	Improvements	Total
	\$	\$	\$	\$
Balance at 1 July 2016	1,000,398	904,997	74,459	1,979,854
Additions	564,122	522,909	-	1,087,031
Disposals	(2,678)	(196,252)	-	(198,930)
Depreciation expense	(238,587)	(265,867)	(24,571)	(529,025)
Balance at 30 June 2017	<u>1,323,255</u>	<u>965,787</u>	<u>49,887</u>	<u>2,338,929</u>

## Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

ABN: 80 571 091 192

### Notes to the Financial Statements

For the Year Ended 30 June 2017

#### 8 Property plant and equipment

##### (a) Movements in Carrying Amounts

#### Consolidated

	Capital Works in Progress	Plant and Equipment	Motor Vehicles	Improvements	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2016	22,862,037	1,044,574	904,997	74,459	24,886,067
Additions	48,249,271	564,122	522,909	-	49,336,302
Disposals	-	(2,678)	(196,252)	-	(198,930)
Borrowing cost capitalised	1,054,548	-	-	-	1,054,548
Depreciation expense	-	(247,422)	(265,867)	(24,572)	(537,861)
Balance at 30 June 2017	72,165,856	1,358,596	965,787	49,887	74,540,126

# Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

ABN: 80 571 091 192

## Notes to the Financial Statements

For the Year Ended 30 June 2017

### 8 Property plant and equipment

#### (b) Capital works in progress

Capital works in progress includes the freehold land at 529 - 541 Elizabeth Street Melbourne VIC purchased in November 2012 for the purpose of redevelopment.

#### (c) Security

Property situated at Elizabeth St Melbourne VIC are pledged as security for the bank loans as per Note 12.

#### (d) Capital commitment

The group has contractual commitment to construct a building on 529 - 541 Elizabeth Street Melbourne VIC. Estimated project cost is \$68 million, which includes contingency expenditure.

### 9 Intangible Assets

	Consolidated		Parent	
	2017	2016	2017	2016
	\$	\$	\$	\$
<b>Website and Online App</b>				
Cost	365,236	262,443	365,236	262,443
Accumulated amortisation and impairment	(229,892)	(91,204)	(229,892)	(91,204)
<b>Net carrying value</b>	<b>135,344</b>	<b>171,239</b>	<b>135,344</b>	<b>171,239</b>
<b>Work in progress</b>				
Cost	12,700	95,680	12,700	95,680
<b>Total Intangibles</b>	<b>148,044</b>	<b>266,919</b>	<b>148,044</b>	<b>266,919</b>

# Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

ABN: 80 571 091 192

## Notes to the Financial Statements

For the Year Ended 30 June 2017

### 9 Intangible Assets

#### 9 Intangible Assets

##### (a) Movements in carrying amounts of intangible assets

Parent	Website \$	Work in progress \$	Total \$
Balance at 1 July 2016	171,239	95,680	266,919
Additions	-	19,813	19,813
Transfers	102,793	(102,793)	-
Amortisation	(138,688)	-	(138,688)
<b>Balance at 30 June 2017</b>	<b>135,344</b>	<b>12,700</b>	<b>148,044</b>

Consolidated	Website \$	Work in progress \$	Total \$
Balance at 1 July 2016	171,239	95,680	266,919
Additions	-	19,813	19,813
Transfers	102,793	(102,793)	-
Amortisation	(138,688)	-	(138,688)
<b>Balance at 30 June 2017</b>	<b>135,344</b>	<b>12,700</b>	<b>148,044</b>

### 10 Other Assets

	Consolidated		Parent	
	2017 \$	2016 \$	2017 \$	2016 \$
CURRENT				
Prepayments	763,511	264,634	344,502	264,634
	<b>763,511</b>	<b>264,634</b>	<b>344,502</b>	<b>264,634</b>

# Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

ABN: 80 571 091 192

## Notes to the Financial Statements

For the Year Ended 30 June 2017

### 11 Trade and other payables

	Note	Consolidated		Parent	
		2017	2016	2017	2016
		\$	\$	\$	\$
CURRENT					
Trade and other payables		5,518,039	2,740,498	914,750	2,735,052
Legal fees	11(b)	-	162,723	-	162,723
GST payable/(receivable)		(778,211)	26,809	151,700	17,786
Payable to ANMF Federal Office		41,629	115,839	41,629	115,839
Payable to NSE RTO		-	-	-	50,000
Payable to employers for payroll deductions		-	-	-	-
		<b>4,781,457</b>	<b>3,045,869</b>	<b>1,108,079</b>	<b>3,081,401</b>

#### (a) Financial liabilities at amortised cost classified as trade and other payables

Trade and other payables:

- total current		4,781,457	3,045,869	1,108,079	3,081,400
		<b>4,781,457</b>	<b>3,045,869</b>	<b>1,108,079</b>	<b>3,081,400</b>

Add/(Less):

GST payable/receivable		778,211	(26,809)	(151,700)	(17,786)
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Financial liabilities as trade and other payables

	17	<b>5,559,668</b>	<b>3,019,060</b>	<b>956,379</b>	<b>3,063,614</b>
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#### (b) Legal Fees

Litigation		-	162,723	-	162,723
Other legal matters		-	-	-	-
<b>Total</b>		<b>-</b>	<b>162,723</b>	<b>-</b>	<b>162,723</b>

# Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

ABN: 80 571 091 192

## Notes to the Financial Statements

For the Year Ended 30 June 2017

### 12 Borrowings

		Consolidated		Parent	
	Note	2017	2016	2017	2016
		\$	\$	\$	\$
CURRENT					
Secured liabilities:					
Finance lease obligation	12(b),16	459,932	411,580	459,932	411,580
Bank loans	12(a)	31,755,000	5,000	-	-
<b>Total current borrowings</b>		<b>32,214,932</b>	<b>416,580</b>	<b>459,932</b>	<b>411,580</b>
NON-CURRENT					
Secured liabilities:					
Finance lease obligation	12(b), 16	467,703	480,180	467,703	480,180
Bank loans	12(a)	2,426,558	-	-	-
<b>Total non-current borrowings</b>		<b>2,894,261</b>	<b>480,180</b>	<b>467,703</b>	<b>480,180</b>

(a) The group has a bank borrowing facility of \$53,220,000 with National Australia Bank. Bank borrowing is secured by:

- registered mortgages over the land and buildings owned by the group
- general security agreement over all the assets and undertakings of the group
- guarantee and indemnity given by Australian Nursing and Midwifery Federation (Victorian Branch)
- Tripartite deed between the bank, the group and the builder in respect of the building contract.

(b) Lease liabilities are secured by the underlying leased assets.

# Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

ABN: 80 571 091 192

## Notes to the Financial Statements

For the Year Ended 30 June 2017

### 13 Provisions

	Consolidated		Parent	
	2017	2016	2017	2016
	\$	\$	\$	\$
<b>Office holders</b>				
Annual leave	265,107	233,173	265,107	233,173
Long service leave	391,155	360,513	391,155	360,513
Separations and redundancies	-	-	-	-
Other - Accrued days off	15,385	25,588	15,385	25,588
<b>Subtotal employee provisions - office holders</b>	<b>671,647</b>	<b>619,274</b>	<b>671,647</b>	<b>619,274</b>
<b>Employees other than office holders:</b>				
Annual leave	1,769,074	1,647,804	1,769,074	1,647,804
Long service leave	2,586,468	2,465,441	2,586,468	2,465,441
Separations and redundancies	-	-	-	-
Other - Accrued days off	183,069	201,706	183,069	201,706
<b>Subtotal employee provisions—employees other than office holders</b>	<b>4,538,611</b>	<b>4,314,951</b>	<b>4,538,611</b>	<b>4,314,951</b>
<b>Total employee provisions</b>	<b>5,210,258</b>	<b>4,934,225</b>	<b>5,210,258</b>	<b>4,934,225</b>
<b>Analysis of total provisions</b>				
Current	4,987,428	4,643,723	4,987,428	4,643,723
Non-current	222,830	290,502	222,830	290,502
	<b>5,210,258</b>	<b>4,934,225</b>	<b>5,210,258</b>	<b>4,934,225</b>

#### (a) Provision for employee benefits

Provision for employee benefits represents amounts accrued for annual leave, long service leave and accrued days off.

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



# Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

ABN: 80 571 091 192

## Notes to the Financial Statements

For the Year Ended 30 June 2017

### 13 Provisions

#### (a) Provision for employee benefits

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

### 14 Income in Advance

	Consolidated		Parent	
	2017	2016	2017	2016
	\$	\$	\$	\$
Student fees in advance	38,600	101,623	676	675
Membership subscription fees in advance	4,444,553	4,384,313	4,444,553	4,384,313
Deposit received for assets held for sale.	3,000,000	-	-	-
Other deferred income	15,241	95,728	-	95,728
	<b>7,498,394</b>	<b>4,581,664</b>	<b>4,445,229</b>	<b>4,480,716</b>

### 15 Equity

#### (a) Other specific disclosures - funds

Compulsory levy/voluntary contribution fund - if invested in assets

Other funds required by rules

	-	-	-	-
	-	-	-	-
	-	-	-	-

### 16 Capital and Leasing Commitments

#### (a) Finance lease commitments

	Consolidated		Parent	
	2017	2016	2017	2016
	\$	\$	\$	\$
Payable - minimum lease payments:				
- no later than 1 year	497,943	443,339	497,943	443,339
- between 1 year and 5 years	499,041	509,081	499,041	509,081
Minimum lease payments	<b>996,984</b>	<b>952,420</b>	<b>996,984</b>	<b>952,420</b>
Less: finance changes	<b>(69,349)</b>	<b>(60,660)</b>	<b>(69,349)</b>	<b>(60,660)</b>

# Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

ABN: 80 571 091 192

## Notes to the Financial Statements

For the Year Ended 30 June 2017

### 16 Capital and Leasing Commitments

#### (a) Finance lease commitments

	Consolidated		Parent	
	2017	2016	2017	2016
	\$	\$	\$	\$
Present value of minimum lease payments	927,635	891,760	927,635	891,760

Finance leases are in place for motor vehicles and normally have a term of 3 years.

### 17 Financial Risk Management

The Group's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable, bank loans and overdrafts, loans to and from subsidiaries and leases.

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:

	Note	Consolidated		Parent	
		2017	2016	2017	2016
		\$	\$	\$	\$
<b>Financial Assets</b>					
Cash and cash equivalents (i)	4	15,838,443	16,692,622	10,577,691	16,553,319
Trade and other receivables (i)	5	164,801	363,134	115,288	319,168
<b>Total financial assets</b>		<b>16,003,244</b>	<b>17,055,756</b>	<b>10,692,979</b>	<b>16,872,487</b>
<b>Financial Liabilities</b>					
Trade and other payables (i)	11(a)	5,559,668	3,019,060	956,379	3,063,614
Bank loan - secured (ii)	12	34,181,558	5,000	-	-
Finance lease obligation (ii)	16(a)	927,635	891,760	927,635	891,760
<b>Total financial liabilities</b>		<b>40,668,861</b>	<b>3,915,820</b>	<b>1,884,014</b>	<b>3,955,374</b>

#### Net Fair Values

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

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

# Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

ABN: 80 571 091 192

## Notes to the Financial Statements

For the Year Ended 30 June 2017

### 17 Financial Risk Management

(ii) The fair values of finance leases and bank loan are determined by using a discounted cash flow model incorporating the current commercial borrowing rates.

#### Financial risk management policies

The Branch Council's overall risk management strategy seeks to assist the Branch in meeting its financial targets, while minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the Branch Council on a regular basis. These include the credit risk policies and future cash flow requirements.

Finance and risk committee meets on a regular basis to analyse financial risk exposure in the context of the most recent economic conditions and forecasts. The overall risk management strategy seeks to assist the Group in meeting its financial targets, while minimising potential adverse effects on financial performance.

#### Specific financial risk exposures and management

The main risks the Group is exposed to through its financial instruments are credit risk, liquidity risk and market risk relating to interest rate risk. There have been no substantive changes in the types of risks the Group is exposed to, how these risks arise, or the Branch Council's objectives, policies and processes for managing or measuring the risks from the previous period.

##### (a) Credit risk

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

Credit risk is managed on a group basis and reviewed regularly by the finance and risk committee.

##### *Credit risk exposure*

The Group has no significant concentration of credit risk with any single counterparty or group counterparties except for the unsecured loans receivable from related parties. The credit risk attributable to these related party balances is mitigated by the fact that they are controlled by the parent entity,

Trade and other receivables that are neither past due nor impaired are considered to be of high credit quality. Aggregates of such amounts are detailed at Note 5.

# Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

ABN: 80 571 091 192

## Notes to the Financial Statements

For the Year Ended 30 June 2017

### 17 Financial Risk Management

#### (b) Liquidity risk

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

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

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

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed.

## Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

ABN: 80 571 091 192

### Notes to the Financial Statements

For the Year Ended 30 June 2017

#### 17 Financial Risk Management

*Financial liability maturity analysis*

Consolidated	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2017	2016	2017	2016	2017	2016	2017	2016
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Financial liabilities due for payment</b>								
Trade and other payables (excluding GST)	5,559,668	3,019,060	-	-	-	-	5,559,668	3,019,060
Borrowings (excluding finance lease)	31,755,000	5,000	-	-	-	-	31,755,000	5,000
Finance lease liabilities	459,932	411,580	467,703	480,180	-	-	927,635	891,760
Total contractual outflows	<b>37,774,600</b>	<b>3,435,640</b>	<b>467,703</b>	<b>480,180</b>	<b>-</b>	<b>-</b>	<b>38,242,303</b>	<b>3,915,820</b>

## Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

ABN: 80 571 091 192

### Notes to the Financial Statements

For the Year Ended 30 June 2017

#### 17 Financial Risk Management

Parent	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2017	2016	2017	2016	2017	2016	2017	2016
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Financial liabilities due for payment</b>								
Trade and other payables (excluding GST)	956,379	3,063,614	-	-	-	-	956,379	3,063,614
Finance lease liabilities	459,932	411,580	467,703	480,180	-	-	927,635	891,760
Total contractual outflows	1,416,311	3,475,194	467,703	480,180	-	-	1,884,014	3,955,374

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

# Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

ABN: 80 571 091 192

## Notes to the Financial Statements

For the Year Ended 30 June 2017

### 17 Financial Risk Management

#### (c) Market risk

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

##### *i. Interest rate risk*

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

Interest rate risk is managed by fixing interest rates for finance lease agreements, and by monitoring interest rate fluctuations and assessing potential impact on cash flow.

##### *ii. Price risk*

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

#### Interest rate risk sensitivity analysis

The following table illustrates sensitivities to the Group's exposures to changes in interest rates and equity prices. The table indicates the impact on how profit and equity values reported at the end of the reporting period would have been affected by changes in the relevant risk variable that management considers to be reasonably possible.

These sensitivities assume that the movement in a particular variable is independent of other variables.

	Consolidated		Parent	
	2017	2016	2017	2016
	\$	\$	\$	\$
Change in surplus				
- +/- 0.5% in interest rate	104,414	71,603	41,829	71,628
Change in equity				
- +/- 0.5% in interest rate	104,414	71,603	41,829	71,628

# Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

ABN: 80 571 091 192

## Notes to the Financial Statements

For the Year Ended 30 June 2017

### 18 Key Management Personnel Compensation.

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, is considered key management personnel. Branch President, Vice President, Executive Committee Members and Ordinary Branch Councillors are not remunerated in their capacity as councillors. The totals of remuneration paid to key management personnel of the entity and the Group during the year are as follows:

	Consolidated		Parent	
	2017	2016	2017	2016
	\$	\$	\$	\$
<b>Key management personnel compensation:</b>				
- Short-term employee benefit	580,598	577,798	580,598	577,798
- Post-employment benefits (Superannuation)	83,352	80,376	83,352	80,376
- Other long term benefits (Long service leave)	25,366	28,294	25,366	28,294
- Termination benefits	-	-	-	-
<b>Total</b>	<b>689,316</b>	<b>686,468</b>	<b>689,316</b>	<b>686,468</b>

### 19 Remuneration of Auditors

Remuneration of the auditor as follow:

- Auditing or reviewing the financial statements	48,400	49,250	34,950	34,850
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No other services were provided by the auditors of the financial statements.

### 20 Contingent Liabilities

In the opinion of the Branch Councillors, the Group did not have any contingent liabilities at 30 June 2017.



# Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

ABN: 80 571 091 192

## Notes to the Financial Statements

For the Year Ended 30 June 2017

### 21 Related Party Transactions

The Group's main related parties are as follow:

#### (a) Controlled entities

Australian Nursing and Midwifery Federation (Victorian Branch) is the ultimate parent entity, which exercises control over:

- N.S.E Property Trust
- N.S.E Property Pty Ltd
- N.S.E. RTO Pty Ltd

N.S.E Property Trust is a fixed trust and the trustee of the trust is N.S.E Property Pty Ltd. Australian Nursing and Midwifery Federation (Victorian Branch) has ultimate control over the trust and the trustee. Under the trust deed, the sole beneficiary of the trust are the members of Australian Nursing and Midwifery Federation (Victorian Branch).

N.S.E. RTO Pty Ltd was established on 14th May 2014. It is a wholly controlled entity of Australian Nursing and Midwifery Federation (Victorian Branch).

Balances and transactions between Australian Nursing and Midwifery Federation (Victorian Branch) and controlled entities have been eliminated on consolidation.

# Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

ABN: 80 571 091 192

## Notes to the Financial Statements

For the Year Ended 30 June 2017

### 21 Related Party Transactions

#### (b) Other related parties

Other related parties consist of:

##### 1. Australian Nursing and Midwifery Federation (Federal Office)

Payments made to the Australian Nursing and Midwifery Federation (Federal Office) are as follows:

	Consolidated		Parent	
	2017	2016	2017	2016
	\$	\$	\$	\$
Capitation Fee	1,492,347	1,388,069	1,492,347	1,388,069
ANMF Journal	982,739	1,039,452	982,739	1,039,452
ACTU Levy	-	97,976	-	97,976
Biennial National Conference	28,932	28,788	28,932	28,788
Advanced Practice Nurse Study	-	13,060	-	13,060
McKell Project	-	8,706	-	8,706
Shared database cost	21,924	22,777	21,924	22,777

In addition to the payments listed above, ANMF (Federal Office) also collects reimbursements from ANMF (Victorian Branch) which are not regarded as related party transactions. These reimbursements consist of:

- Payroll tax received from and paid on behalf of ANMF (Victorian Branch); and
- Travelling costs for state representatives to attend the Federal meetings and conference.

##### 2. Australian Nursing Federation (Victorian Branch) RTO Prepaid Course Monies Trust

The trustee of the Prepaid Course Monies Trust is Australian Nursing and Midwifery Federation (Federal Office). Total prepaid monies held in the trust as at 30 June 2017 was \$0 (2016: \$0). This trust has ceased to operate during the financial year.

# Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

ABN: 80 571 091 192

## Notes to the Financial Statements

For the Year Ended 30 June 2017

### 21 Related Party Transactions

#### 3. Victorian Nurses Welfare and Hardship Trust Fund

Victorian Nurses Welfare and Hardship Trust Fund was established in 2007 to provide assistance to nurses with financial hardship. The Trust is funded through donations from the members of the Australian Nursing and Midwifery Federation (Victorian Branch).

Total Victorian Nurses Welfare and Hardship Fund bank balance as at 30 June 2017 held in the name of Australian Nursing and Midwifery Federation (Victorian Branch) was \$61,029 (2016: \$60,445).

#### 4. Special Interest Group

Members of Australian Nurses and Midwifery Federation (Victorian Branch) operates a number of Special Interest Groups.

Total Special Interest Group bank balances as at 30 June 2017 held in the name of Australian Nursing and Midwifery Federation (Victorian Branch) total \$15,096 (2016: \$14,786).

#### (c) 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:

	Consolidated		Parent	
	2017	2016	2017	2016
	\$	\$	\$	\$
Australian Nursing and Midwifery Federation (Victorian Branch) leases their property from N.S.E Property Trust	-	-	(1,564,200)	(1,564,200)
Australian Nursing and Midwifery Federation (Victorian Branch) received distributions from N.S.E Property Trust	-	-	780,859	692,177
Australian Nursing and Midwifery Federation (Victorian Branch) received management fee from N.S.E RTO Pty Ltd	-	-	700,600	479,500

#### (d) Financial support

The Group does not receive any financial support from other reporting unit of the organisation or provide financial support to other reporting units of the organisation.

# Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

ABN: 80 571 091 192

## Notes to the Financial Statements

For the Year Ended 30 June 2017

### 22 Cash Flow Information

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

	Consolidated		Parent	
	2017	2016	2017	2016
	\$	\$	\$	\$
Net surplus for the year	9,844,092	8,277,741	9,837,516	8,273,771
<b>Non-cash flows in surplus</b>				
Depreciation and amortisation	676,548	955,234	667,713	619,190
Net (gain)/loss on disposal of property, plant and equipment	(12,673)	(7,963)	(12,673)	(7,963)
<b>Changes in assets and liabilities</b>				
(Increase)/decrease in trade and term receivables	120,667	(232,890)	124,012	(74,863)
Increase/(decrease) in trade payables and accruals	(862,315)	(535,113)	(29,506)	1,267,323
Increase/(decrease) in income taxes payable	(3,327)	4,038	-	-
Increase/(decrease) in other payables	(83,271)	212,150	(35,487)	146,525
Increase/(decrease) in provisions	276,033	609,282	276,033	609,282
	<b>9,955,754</b>	<b>9,282,479</b>	<b>10,827,608</b>	<b>10,833,265</b>

(b) Cash flow with reporting units

**Cash inflows:**

ANMF Federal Office	5,775	91,026	5,775	91,026
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**Cash outflows:**

ANMF Federal Office	(3,573,803)	(3,677,533)	(3,573,803)	(3,677,533)
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# Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

ABN: 80 571 091 192

## Notes to the Financial Statements

For the Year Ended 30 June 2017

### 23 Reserves

#### **Asset revaluation reserve**

The asset revaluation reserve records revaluation of property recorded at fair value.

#### **Members entitlement protection fund**

The members entitlement protection fund records funds set aside to ensure member entitlements are protected by the consolidated Group.

#### **General reserve**

The general reserve records funds set aside for future expansion of the Federation.

Included in the general reserve is Florence Nightingale Fund. The purpose of Florence Nightingale Fund is to provide interest free loans to nurses with financial hardship.

#### **Legal services reserve**

The legal services reserve records funds set aside to provide legal services to the Branch and members as part of the membership package.

#### **ACTU levy reserve**

The Victorian Branch allocated funds for the Federal Office contribution to ACTU levy.

# Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

ABN: 80 571 091 192

## Notes to the Financial Statements

For the Year Ended 30 June 2017

### 24 Fair Value Measurement

The Group measures and recognises freehold land and buildings at 532 & 540 Elizabeth St Melbourne VIC at fair value on a recurring basis after initial recognition. In the financial year ended 30 June 2016, the group has classified these properties as assets held for sale.

The Group does not subsequently measure any liabilities at fair value on a recurring basis, or any assets or liabilities at fair value on a non-recurring basis.

#### Fair value hierarchy

AASB 13 *Fair Value Measurement* requires all assets and liabilities measured at fair value to be assigned to a level in the fair value hierarchy as follows:

Level 1	Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.
Level 2	Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3	Unobservable inputs for the asset or liability.

The table below shows the assigned level for each asset and liability held at fair value by the Group:

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
<b>30 June 2017</b>				
<b>Non-financial assets</b>				
Freehold land	-	12,550,000	-	12,550,000
Freehold buildings	-	12,675,000	-	12,675,000
<b>Total non-financial assets recognised at fair value</b>	<b>-</b>	<b>25,225,000</b>	<b>-</b>	<b>25,225,000</b>

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
<b>30 June 2016</b>				
<b>Non-financial assets</b>				
Freehold land	-	12,550,000	-	12,550,000
Freehold buildings	-	12,675,000	-	12,675,000
<b>Total non-financial assets recognised at fair value</b>	<b>-</b>	<b>25,225,000</b>	<b>-</b>	<b>25,225,000</b>

There were no transfers between Level 1 and Level 2 for assets measured at fair value on a recurring basis during the reporting period.

# Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

ABN: 80 571 091 192

## Notes to the Financial Statements

For the Year Ended 30 June 2017

### 24 Fair Value Measurement

#### (a) Valuation techniques

The Group selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measure. The valuation techniques selected by the Group are consistent with one or more of the following valuation approaches:

- Market approach: valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.
- Income approach: valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.
- Cost approach: valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Group gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

#### (b) Valuation Techniques and Inputs Used to Measure Level 2 Fair Values

Description	Fair Value at 30 June 2017		
	\$	Valuation technique	Input used
<b>Non-financial assets</b>			
Freehold land	12,550,000	Market approach using recent observable market data for similar properties; income approach using discounted cash flow methodology	Price per square metre; market yield rate
Freehold buildings	12,675,000	Market approach using recent observable market data for similar properties; income approach using discounted cash flow methodology	Price per square metre; market yield rate

# Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

ABN: 80 571 091 192

## Notes to the Financial Statements

For the Year Ended 30 June 2017

### 24 Fair Value Measurement

#### (b) Valuation Techniques and Inputs Used to Measure Level 2 Fair Values

The fair value of freehold land and buildings is determined at least every three years based on valuations by an independent valuer. At the end of each intervening period, the directors review the independent valuation and, when appropriate, update the fair value measurement to reflect current market conditions using a range of valuation techniques, including recent observable market data and discounted cash flow methodologies.

There were no changes during the period in the valuation techniques used by the Group to determine Level 2 fair values.

#### (c) Disclosed Fair Value Measurements

The following assets and liabilities are not measured at fair value in the statement of financial position, but their fair values are disclosed in the notes:

- accounts receivable and other debtors
- fixed interest securities: held-to-maturity investments
- accounts payable and other payables; and
- Finance leases and bank loans



# Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

ABN: 80 571 091 192

## Notes to the Financial Statements

For the Year Ended 30 June 2017

### 24 Fair Value Measurement

#### (c) Disclosed Fair Value Measurements

The following table provides the level of the fair value hierarchy within the disclosed fair value measurements are categorised in their entirety and a description of the valuation technique(s) and inputs used

Description	Note	Fair Value Hierarchy Level	Valuation technique	Input used
<b>Assets</b>				
Accounts receivable and other debtors	5	3	Income approach using discounted cashflow methodology	Market interest rates for similar assets
Fixed interest securities	0	2	Income approach using discounted cashflow methodology	Yield curves based on market interest rates for remaining maturity period for similar assets
<b>Liabilities</b>				
Accounts payable and other payables	11	3	Income approach using discounted cashflow methodology	Market interest rates for similar liabilities
Finance leases and bank loans	12	2	Income approach using discounted cashflow methodology	Current commercial borrowing rates for similar instruments

There has been no change in the valuation technique(s) used to calculate the fair values disclosed in the financial statements.

### 25 Events after the end of the Reporting Period

The Branch Council is not aware of any significant event since the end of the reporting period, other than the contracted sale of assets held for sale expected to be settled in September 2017.

### 26 Entity Details

The registered office and principal place of business of the Branch is:  
Australian Nursing and Midwifery Federation - Victorian Branch  
540 Elizabeth Street  
Melbourne Vic 3000

# Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

ABN: 80 571 091 192

## Notes to the Financial Statements

For the Year Ended 30 June 2017

### 27 Information to be Supplied to Members or General Manager

Information must be provided to members or Commissioner as follows in accordance with Section 272 of the Fair Work (Registered Organisations) Act 2009:

- A member of the Australian Nursing and Midwifery Federation and Consolidated Entities (Group), or the Commissioner, may apply to the Group for specific prescribed information in relation to the Group 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 be not less than 14 days after the application has been given to the Group.
- The Group must comply with an application made under subsection (1).

### 28 Acquisition of Assets and Liabilities

There were no acquisitions of any asset or liability during the financial year as a result of:

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

# Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

ABN: 80 571 091 192

## Statement by Branch Council


For the Year Ended 30 June 2017

On 10 October 2017 the Branch Council of the Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities passed the following resolution in relation to the general purpose financial report of the Group for the year ended 30 June 2017:

The Branch Council declares that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act);
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
  - i. meetings of the Branch Council were held in accordance with the rules of the Australian Nursing and Midwifery Federation including the rules of a branch concerned;
  - ii. the financial affairs of the Group have been managed in accordance with the rules of the Australian Nursing and Midwifery Federation including the rules of a branch concerned;
  - iii. the financial records of the group have been kept and maintained in accordance with the RO Act;
  - 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 manner consistent with each of the other reporting units of the organisation;
  - v. where information has been sought in any request by a member of the Federation or Commissioner duly made under section 272 of the RO Act has been provided to the member or Commissioner;
  - vi. where any order for inspection of financial records has been made by the Registered Organisations Commission under section 273 of the RO Act, there has been compliance.
- (f) no revenue has been derived from undertaking recovery of wages activity during the reporting period

Signed in accordance with a resolution of the Branch Council:

Secretary   
Lisa Fitzpatrick

President   
Maree Burgess

Dated 10 October 2017

# Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

ABN: 80 571 091 192

## Independent Audit Report to the members of Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities (the Group) and its subsidiaries (the Group), which comprises the statement of financial position as at 30 June 2017, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the statement by branch council.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Group as at 30 June 2017, 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 Group is 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 Group in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to 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 Auditor's Report Thereon

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

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

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 my 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.

# Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

ABN: 80 571 091 192

## Independent Audit Report to the members of Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

### Responsibilities of Branch Council for the Financial Report

The Branch Council of the Group 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 Branch Council 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 Branch Council is responsible for assessing the Group'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 Branch Council either intend to liquidate the Group 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 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 the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Group.

## Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

ABN: 80 571 091 192

### Independent Audit Report to the members of Australian Nursing and Midwifery Federation (Victorian Branch) and Controlled Entities

- Conclude on the appropriateness of the Group's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company'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 auditors report. However, future events or conditions may cause the registered entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Branch Council 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.

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

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

*Saward Dawson*

**Saward Dawson**

*Peter Shields*

Peter Shields  
Principal

Dated: 10 October 2017  
Registration number: A2017/112