



chartered accountants

**Australian Nursing and Midwifery  
Federation and Controlled Entity**

**ABN: 41 816 898 298**

Financial Statements  
For the Year Ended  
30 June 2016

# Australian Nursing and Midwifery Federation and Controlled Entity

ABN: 41 816 898 298

## Financial Report

For the Year Ended 30 June 2016

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# Australian Nursing and Midwifery Federation and Controlled Entity

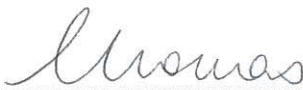
ABN: 41 816 898 298

## Certificate by Prescribed Designated Officer

For the Year Ended 30 June 2016

I, Lee Thomas being the Federal Secretary of the Australian Nursing and Midwifery Federation and Controlled Entity certify:

- that the documents lodged herewith are copies of the full report for the Australian Nursing and Midwifery Federation and Controlled Entity for the year ended 30 June 2016 referred to in s.268 of the Fair Work (Registered Organisations) Act 2009; and
- that the full report was provided to members of the reporting unit on 29/9/2016; and
- that the full report was presented to a meeting of the Federal Council of the reporting unit on 25/8/2016 in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009.

Federal Secretary: .....  
Lee Thomas

Dated: 29/9/2016

# Australian Nursing and Midwifery Federation and Controlled Entity

ABN: 41 816 898 298

## Operating Report

The Federal Council presents its report, together with the financial statements of the Group, being the Australian Nursing and Midwifery Federation (the Federation) and its controlled entities, for the financial year ended 30 June 2016.

### Names of Federal Council members and period positions held during the financial year

The names of the Federal Council members throughout the year and at the date of this report are:

Sally-Anne Jones	Federal President (Commenced 1 April 2015. Term finishes 31 March 2017)
Maree Burgess	Federal Vice President (Commenced 1 April 2015. Term finishes 31 March 2017)
Lee Thomas	Federal Secretary
Annie Butler	Assistant Federal Secretary
Jenny Miragaya	Secretary, ANMF Australian Capital Territory Branch
Athalene Rosborough	President, ANMF Australian Capital Territory Branch
Brett Holmes	Secretary, ANMF New South Wales Branch
Coral Levett	President, ANMF New South Wales Branch
Yvonne Falckh	Secretary, ANMF Northern Territory Branch
Jan Hercus	Acting President, ANMF Northern Territory Branch (from 3 March 2015)
Elizabeth Mohle	Secretary, ANMF QNU Branch
Sally-Anne Jones	President, ANMF QNU Branch
Elizabeth Dabars	Secretary, ANMF South Australian Branch
Marisa Bell	President, ANMF South Australian Branch
Neroli Ellis	Secretary, ANMF Tasmanian Branch
Emily Shepherd	President, ANMF Tasmanian Branch (on leave from 27 June 2016)
James Lloyd	Acting President, ANMF Tasmanian Branch (from 27 June 2016)
Lisa Fitzpatrick	Secretary, ANMF Victorian Branch
Maree Burgess	President, ANMF Victorian Branch
Mark Olson	Secretary, ANMF Western Australian Branch
Patricia Fowler	President, ANMF Western Australian Branch

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

The principal activity of the Federation during the financial year was the industrial, professional and political representation of nurses, midwives and assistants in nursing.

The results of the principal activities are as follows:

- Increase in total members from 248,538 to 258,982 for the year, including honorary members.
- Review of Industrial Regulation, Modern Awards and professional services to Branches and members.
- Continued support and involvement with Coalition of National Nursing and Midwifery Organisations, including secretariat, policy development and submissions,
- Provision of Continuous Professional Development services for members,
- Coordination of and provision of Secretariat services to the National Aged Care Alliance and National Enrolled Nurses Association of Australia (an ANMF special interest group and controlled entity consolidated with the Federation); and
- Involvement with projects, national submissions and strengthening relationships with peak nursing and midwifery organisations and other relevant bodies.

# Australian Nursing and Midwifery Federation and Controlled Entity

ABN: 41 816 898 298

## Operating Report

### Significant changes in financial affairs

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

### Right of members to resign

Members retain the right to resign from the Australian Nursing and Midwifery Federation in accordance with section 10 of the Federal rules and section 174 of the Fair Work (Registered Organisations) Act 2009.

### Officers & employees who are nominated by the ANMF as superannuation fund trustee(s) or director of a company that is a superannuation fund trustee.

Name	Entity	Principal activity of the entity	ANMF position
Brett Holmes	HESTA Super Fund	Industry Superannuation Fund	NSW Branch Secretary
Lisa Fitzpatrick	First State Super	Industry Superannuation Fund	ANMF Vic Branch Secretary
Paula (PIP) Carew	HESTA	Industry Superannuation Fund	ANMF Vic Branch Assistant Secretary

### Number of members

The number of members (including Branch members) at the end of the financial year was 258,982 (2015: 248,538).

### Number of employees

The total number of full time equivalent employees employed with the Australian Nursing and Midwifery Federation Federal Office at the end of the financial year was 23 (2015: 22).

Signed in accordance with a resolution of the Federal Council:

Federal Secretary:  .....

Lee Thomas

Dated this 29 day of 9 2016

# Australian Nursing and Midwifery Federation and Controlled Entity

ABN: 41 816 898 298

## Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2016

	Note	2016 \$	2015 \$
Revenue	2	7,809,227	7,450,227
Employee benefits expense	3(a)	(3,300,419)	(3,111,552)
Administration and management fees		(315,262)	(268,276)
Campaign expenses		(134,863)	(17,735)
Postage expenses		(872,249)	(811,691)
Australian Nursing and Midwifery Journal production expenses		(609,850)	(688,423)
Affiliation fees	3(b)	(891,144)	(681,061)
Consultancy expenses		(121,548)	(142,615)
Travel expenses		(174,329)	(181,867)
Legal expenses	3(c)	(78,846)	(11,280)
Depreciation expenses	3(f)	(116,422)	(148,958)
Doubtful debts expenses/reversal		(427)	65,055
Website expenses		(12,874)	(67,584)
Conference expenses		(276,403)	(19,960)
Accounting and audit fees		(42,110)	(45,650)
Occupancy expenses		(133,074)	(138,697)
Finance costs		(2,696)	(26,442)
Meeting expenses		(77,227)	(86,178)
Grants and donations	3(d)	(7,500)	(22,529)
Levies	3(e)	(330,518)	(321,200)
Insurance		(37,372)	(38,355)
Project expenses		(379,108)	(147,375)
Continuing Professional Education expenses		(112,042)	(135,891)
National Aged Care Alliance expenses		(90,785)	(73,962)
South Pacific Nurses Forum expenses		-	(19,700)
Other expenses		(23,141)	(28,535)
<b>Surplus/(deficit) for the year</b>		<b>(330,982)</b>	<b>279,766</b>
Other comprehensive income:			
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			
- Net gain on revaluation of land and building		1,753,850	-
<b>Other comprehensive income for the year</b>		<b>1,753,850</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>1,422,868</b>	<b>279,766</b>

The accompanying notes form part of these financial statements.

# Australian Nursing and Midwifery Federation and Controlled Entity

ABN: 41 816 898 298

## Consolidated Statement of Financial Position

As at 30 June 2016

	Note	2016 \$	2015 \$
<b>ASSETS</b>			
CURRENT ASSETS			
Cash and cash equivalents	4	843,423	1,225,709
Trade and other receivables	5	279,883	622,668
Other financial assets	6	31,796	31,044
Other assets	7	92,182	86,752
TOTAL CURRENT ASSETS		<u>1,247,284</u>	<u>1,966,173</u>
NON-CURRENT ASSETS			
Property, plant and equipment	8	3,319,091	1,617,109
TOTAL NON-CURRENT ASSETS		<u>3,319,091</u>	<u>1,617,109</u>
TOTAL ASSETS		<u>4,566,375</u>	<u>3,583,282</u>
<b>LIABILITIES</b>			
CURRENT LIABILITIES			
Trade and other payables	9	401,500	573,320
Short-term provisions	11	903,844	843,851
Other liabilities	12	34,217	171,348
TOTAL CURRENT LIABILITIES		<u>1,339,561</u>	<u>1,588,519</u>
NON-CURRENT LIABILITIES			
Borrowings	10	10,041	200,796
Long-term provisions	11	45,394	45,456
TOTAL NON-CURRENT LIABILITIES		<u>55,435</u>	<u>246,252</u>
TOTAL LIABILITIES		<u>1,394,996</u>	<u>1,834,771</u>
NET ASSETS		<u>3,171,379</u>	<u>1,748,511</u>
<b>EQUITY</b>			
Retained earnings		1,417,529	1,748,511
Asset revaluation reserve		1,753,850	-
TOTAL EQUITY		<u>3,171,379</u>	<u>1,748,511</u>

The accompanying notes form part of these financial statements.

# Australian Nursing and Midwifery Federation and Controlled Entity

ABN: 41 816 898 298

## Consolidated Statement of Changes in Equity

For the Year Ended 30 June 2016

### 2016

	Retained Earnings	Asset Revaluation Reserve	Total
	\$	\$	\$
Balance at 1 July 2015	1,748,511	-	1,748,511
Deficit for the year	(330,982)	-	(330,982)
Revaluation increment	-	1,753,850	1,753,850
Balance at 30 June 2016	1,417,529	1,753,850	3,171,379

### 2015

	Retained Earnings	Asset Revaluation Reserve	Total
	\$	\$	\$
Balance at 1 July 2014	1,468,745	-	1,468,745
Surplus for the year	279,766	-	279,766
Balance at 30 June 2015	1,748,511	-	1,748,511

The accompanying notes form part of these financial statements.



# Australian Nursing and Midwifery Federation and Controlled Entity

ABN: 41 816 898 298

## Consolidated Statement of Cash Flows

For the Year Ended 30 June 2016

	2016	2015
Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from members, branches and others	8,742,687	7,587,092
Grants received	52,000	189,588
Interest received	9,295	23,404
Payments to suppliers and employees	(8,927,511)	(7,856,210)
Finance costs	(2,696)	(26,442)
<b>Net cash provided by (used in) operating activities</b>	<b>14(a) (126,225)</b>	<b>(82,568)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Redemption (placement) of term deposits	(752)	21,769
Acquisition of property, plant and equipment	(64,554)	(92,025)
Proceeds from sale of property, plant and equipment	-	20,000
<b>Net cash used by investing activities</b>	<b>(65,306)</b>	<b>(50,256)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Repayment of borrowings	(190,755)	(603,691)
<b>Net cash used by financing activities</b>	<b>(190,755)</b>	<b>(603,691)</b>
Net increase (decrease) in cash and cash equivalents held	(382,286)	(736,515)
Cash and cash equivalents at beginning of year	1,225,709	1,962,224
Cash and cash equivalents at end of financial year	4 843,423	1,225,709

The accompanying notes form part of these financial statements.

# Australian Nursing and Midwifery Federation and Controlled Entity

ABN: 41 816 898 298

## Notes to the Financial Statements

For the Year Ended 30 June 2016

The financial report includes the consolidated financial statements and notes of Australian Nursing and Midwifery Federation and Controlled Entity (the Group), incorporated and domiciled in Australia.

### 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 and Controlled Entity is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

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. The financial statements are presented in Australian dollars.

The financial statements were authorised for issue on the same date the statement by the Federal Council was signed.

#### (b) Comparative figures

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

#### (c) Principles of Consolidation

The consolidated financial statements comprise the financial statements of the federal office and its controlled entity as of 30 June 2016. 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 entity has a reporting date of 30 June.

All transactions and balances between Group entities are eliminated on consolidation, including unrealised gains and losses on transactions between Group entities. Amounts reported in the financial statements of controlled entity has been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Australian Nursing and Midwifery Federation (the Federal office) is the parent entity, which exercises control over the National Enrolled Nurse Association (NENA). All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Further disclosure is contained in Note 19 to the financial statements.

# Australian Nursing and Midwifery Federation and Controlled Entity

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## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 1 Summary of Significant Accounting Policies Continued

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

##### Property

Freehold land and buildings are carried at their fair value (being the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction), based on periodic valuations by external independent valuers, less accumulated depreciation for buildings.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same asset are recognised against revaluation surplus directly in equity. All other decreases are recognised 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.

##### Plant and equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated 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 all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the Group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. Land is not depreciated.

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

<b>Class of Fixed Asset</b>	<b>Depreciation Rate</b>
Buildings	2%
Plant and Equipment	15%-33%
Motor Vehicles	20%
Fitouts	10%

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

The carrying amount of each asset is written down immediately to its recoverable amount if the asset's 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 the statement of profit or loss.

# Australian Nursing and Midwifery Federation and Controlled Entity

ABN: 41 816 898 298

## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 1 Summary of Significant Accounting Policies Continued

#### (e) 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 Australian Nursing and Midwifery Federation 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 profit or loss immediately.

##### 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 in an arm's length transaction. 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 statement of comprehensive income.

The Group does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

##### (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 be realised within 12 months after the end of the reporting period. (All other investments are classified as current assets).

# Australian Nursing and Midwifery Federation and Controlled Entity

ABN: 41 816 898 298

## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 1 Summary of Significant Accounting Policies Continued

#### (e) Financial instruments continued

##### Initial recognition and measurement continued

Available-for-sale financial assets are included in non-current assets, except for those which are expected to be disposed of within 12 months after the end of the reporting period, which will be classified as current assets.

##### Financial liabilities

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

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

##### Fair value through profit or loss

Financial liabilities are classified as at fair value through profit or loss when the financial liability is either held for trading or it is designated as at fair value through profit or loss.

A financial liability is classified as held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the reporting unit manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the reporting units documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

Financial liabilities at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the statement of comprehensive income.

##### Other financial liabilities

Other financial liabilities include borrowings and trade and other payables (including finance lease liabilities), are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest rate method, with interest expense recognised on an effective yield basis.

# Australian Nursing and Midwifery Federation and Controlled Entity

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## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 1 Summary of Significant Accounting Policies Continued

#### (e) Financial instruments continued

##### 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 statement of profit or loss.

##### Derecognition

Financial assets are derecognised where the contractual right to receipt of cash flows expires 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 either discharged, cancelled or expire. The difference between the carrying value of the financial liability 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 the statement of profit or loss.

#### (f) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturity of three months or less, and bank overdrafts. Bank overdrafts are presented within current liabilities on the consolidated statement of financial position.

#### (g) Employee benefits

##### Short-term employee benefits

Short-term employee benefits are benefits, other than termination benefits, that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service. Examples of such benefits include wages and salaries and non-monetary benefits. Short-term employee benefits are measured at the undiscounted amounts expected to be paid when the liabilities are settled.

##### Long-term employee benefits

The Group's liabilities for annual leave and long service leave are included in other long term benefits as they are not expected to be settled wholly within twelve months after the end of the period in which the employees render the related service. They are measured at the present value of anticipated future wage and salary levels, experience of employee departures and periods of service, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds. Changes in measurement of the liability are recognised in profit and loss.

The Group presents employee benefit obligations as current liabilities in the statement of financial position if the Group does not have an unconditional right to defer settlement for at least twelve months after the reporting period, irrespective of when the actual settlement is expected to take place.

#### (h) Income tax

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

# Australian Nursing and Midwifery Federation and Controlled Entity

ABN: 41 816 898 298

## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 1 Summary of Significant Accounting Policies Continued

#### (i) Goods and Services Tax (GST)

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

Receivables and payable are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the consolidated statement of financial position.

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

#### (j) 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.

#### (k) Revenue

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

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

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.

Donations are recognised as revenue when received.

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

Capitation fees are to be recognised on an accrual basis and recorded as revenue in the year to which it relates.

# Australian Nursing and Midwifery Federation and Controlled Entity

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## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 1 Summary of Significant Accounting Policies Continued

#### (l) Government Grant

Government grant is recognised in the profit or loss when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity 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.

#### (m) ANMF Branches

The Australian Nursing and Midwifery Federation (ANMF) is the federal body that co-operates with the Branches in response to national issues of importance to nurses, midwives and assistants in nursing. ANMF Branches respond to issues at a State and Territory level and actively represent the industrial, professional and political interests of members at the local level.

There is an ANMF Branch in each State and Territory in Australia. They all have separate reporting responsibilities.

The following Branches operate and conduct all of their business as a Branch of the Federation:

- ANMF Australian Capital Territory Branch
- ANMF Northern Territory Branch
- ANMF Victorian Branch
- ANMF Tasmanian Branch

The following Branches operate in conjunction with State Registered Trade Unions which are incorporated under relevant State Industrial Legislation:

- ANMF Western Australian Branch in conjunction with Australian Nursing Federation Industrial Union of Workers Perth
- ANMF South Australian Branch in conjunction with ANMF (SA Branch)
- ANMF New South Wales Branch in conjunction with NSW Nurses and Midwives' Association
- ANMF QNU Branch in conjunction with Queensland Nurses Union

ANMF Branches are considered as reporting units under the Federation as per the Fair Work (Registered Organisations) Act 2009 (the Act). However the activities of these Branches are not consolidated into the Federal Office's accounts as the Federal Office does not have beneficial control. The Branches have their own accounting processes, are required to be audited separately and have their own reporting obligations under the Act.

#### (n) Contingent assets and liabilities

Contingent liabilities and contingent assets are not recognised in the Statement of Financial Position but are reported in the relevant notes. They may arise from uncertainty as to the existence of a liability or asset or represent an existing liability or asset in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain, and contingent liabilities are disclosed when settlement is greater than remote.



# Australian Nursing and Midwifery Federation and Controlled Entity

ABN: 41 816 898 298

## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 1 Summary of Significant Accounting Policies Continued

#### (o) Critical accounting estimates and judgments

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

#### (i) Key estimates - impairment

The Federal Council assesses impairment at the end of each reporting year by evaluating conditions specific to the Group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

#### (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.

#### (iii) Key judgments - provision for impairment of receivables

The value of the provision for impairment of receivables is estimated by considering the ageing of receivables, communication with the debtors and prior history.

#### (p) Change in accounting policy

The Group changed its accounting policy relating to measurement of freehold land and building from the cost model to fair value model.

The aggregate effect of the change in accounting policy on the annual financial statements for the year ended 30 June 2016 is the upwards revaluation of land and buildings based on an independent external valuation resulting an increase in asset revaluation reserve in equity.

#### (q) Future Australian Accounting Standards Requirements

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 group. 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 2017)

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.

# Australian Nursing and Midwifery Federation and Controlled Entity

ABN: 41 816 898 298

## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 1 Summary of Significant Accounting Policies Continued

#### (q) Future Australian Accounting Standards Requirements continued

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:

- 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 Federal 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.

The Federal Council anticipate that the adoption of AASB 16 will not have a significant impact on the group's financial statements.

# Australian Nursing and Midwifery Federation and Controlled Entity

ABN: 41 816 898 298

## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 2 Revenue and Other Income

	Note	2016 \$	2015 \$
<b>Revenue</b>			
- NENA membership subscription		4,400	3,100
- Capitation fees	2(a)	4,762,578	4,494,210
- Australian Nursing and Midwifery Journal subscription fees	2(b)	1,548,492	1,671,316
- Aged Care Skills Mix Project		52,669	-
- Grants and donations	2(c)	52,000	189,587
- Australian Nursing and Midwifery Journal advertising income		412,142	496,880
- Biennial National Conference Income	2(d)	227,087	-
- Continuing Professional Education income		226,465	225,959
- ACTU levy - Branch contribution	2(e)	247,891	126,716
- Interest income		9,295	23,405
- Advanced Practice Nurse Study	2(f)	45,002	44,030
- Conference Income		6,350	-
- Other income		214,856	175,024
		<b>7,809,227</b>	<b>7,450,227</b>

#### (a) Capitation fees

ANMF Australian Capital Territory Branch	50,735	45,587
ANMF New South Wales Branch	1,246,092	1,186,141
ANMF Northern Territory Branch	54,808	53,818
ANMF South Australian Branch	363,862	337,901
ANMF QNU Branch	974,942	915,673
ANMF Tasmania Branch	139,722	131,036
ANMF Victorian Branch	1,388,069	1,300,319
ANMF Western Australian Branch	544,348	523,735
Total capitation fee income	<b>4,762,578</b>	<b>4,494,210</b>

# Australian Nursing and Midwifery Federation and Controlled Entity

ABN: 41 816 898 298

## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 2 Revenue and Other Income continued

#### (b) Australian Nursing and Midwifery Journal subscription fees

	2016	2015
	\$	\$
ANMF Australian Capital Territory Branch	41,355	41,378
ANMF New South Wales Branch	704	715
ANMF Northern Territory Branch	39,392	41,284
ANMF South Australian Branch	293,051	293,748
ANMF Tasmania Branch	103,887	108,753
ANMF Victorian Branch	1,039,452	1,154,480
Non-reporting units	30,651	30,958
Total Australian Nursing and Midwifery Journal subscription fees	<u>1,548,492</u>	<u>1,671,316</u>

#### (c) Grants and donations

Grants	52,000	189,587
Donations	-	-
<b>Total</b>	<u>52,000</u>	<u>189,587</u>

#### (d) Biennial National Conference income

ANMF Australian Capital Territory Branch	2,112	-
ANMF New South Wales Branch	53,234	-
ANMF Northern Territory Branch	2,865	-
ANMF South Australian Branch	15,420	-
ANMF QNU Branch	40,968	-
ANMF Tasmanian Branch	5,728	-
ANMF Victorian Branch	57,576	-
ANMF Western Australian Branch	23,116	-
Sponsorship from other non-reporting units	26,068	-
<b>Total</b>	<u>227,087</u>	<u>-</u>

# Australian Nursing and Midwifery Federation and Controlled Entity

ABN: 41 816 898 298

## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 2 Revenue and Other Income continued

#### (e) ACTU levy - Branch contribution

	2016	2015
	\$	\$
ANMF Australian Capital Territory Branch	3,495	3,257
ANMF Northern Territory Branch	3,725	3,780
ANMF South Australian Branch	25,982	24,983
ANMF QNU Branch	69,803	-
ANMF Tasmanian Branch	9,822	-
ANMF Victorian Branch	97,976	94,696
ANMF Western Australian Branch	37,088	-
<b>Total</b>	<b>247,891</b>	<b>126,716</b>

#### (f) Advanced Practice Nurse Study

ANMF Australian Capital Territory Branch	464	590
ANMF New South Wales Branch	11,878	-
ANMF Northern Territory Branch	494	685
ANMF South Australian Branch	3,460	4,539
ANMF QNU Branch	9,265	12,290
ANMF Tasmanian Branch	1,304	1,718
ANMF Victorian Branch	13,060	17,273
ANMF Western Australian Branch	5,077	6,935
<b>Total</b>	<b>45,002</b>	<b>44,030</b>

# Australian Nursing and Midwifery Federation and Controlled Entity

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## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 3 Expenses

#### (a) Employee expenses

	2016	2015
	\$	\$
<b>Holders of office:</b>		
Wages and salaries	290,103	345,500
Superannuation	56,078	52,794
Leave and other entitlements	82,144	50,940
Separation and redundancies	-	-
Other employee expenses	7,585	3,160
<b>Subtotal employee expenses holders of office</b>	<b>435,910</b>	<b>452,394</b>
<b>Employees other than office holders:</b>		
Wages and salaries	1,833,340	2,092,317
Superannuation	343,053	310,246
Leave and other entitlements	503,849	83,373
Separation and redundancies	-	-
Other employee expenses	24,225	25,133
<b>Subtotal employee expenses employees other than office holders</b>	<b>2,704,467</b>	<b>2,511,069</b>
<b>Other employee related expenses</b>		
Payroll Tax	152,275	139,390
Staff amenities	7,767	8,699
	<b>160,042</b>	<b>148,089</b>
<b>Total employee expenses</b>	<b>3,300,419</b>	<b>3,111,552</b>
<b>(b) Affiliation fees</b>		
Australian Council of Trade Unions	777,469	584,730
NSW Nurses and Midwives' Association	29,743	-
APHEDA Union Aid Abroad	-	2,054
Australian College of Nursing (ICN)	83,932	94,277
<b>Total</b>	<b>891,144</b>	<b>681,061</b>

# Australian Nursing and Midwifery Federation and Controlled Entity

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## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 3 Expenses continued

#### (c) Legal expenses

	2016	2015
Note	\$	\$
Litigation	71,925	-
Other legal matters	6,921	11,280
<b>Total</b>	<b>78,846</b>	<b>11,280</b>

#### (d) Grants or donations

##### Donations

Total paid that were \$1,000 or less	1,000	500
Total paid that exceeded \$1,000	6,500	22,029

##### Grants

Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
<b>Total</b>	<b>7,500</b>	<b>22,529</b>

#### (e) Levies

Australian Council of Trade Unions	(i) 330,518	321,200
<b>Total</b>	<b>330,518</b>	<b>321,200</b>

(i) This campaigning fund is the collective commitment of Australian unions to campaign at a national, movement-wide level for working Australians, their families and communities.

#### (f) Other expense disclosures

##### Depreciation:

Land and buildings	32,621	32,621
Plant and equipment	83,801	116,276
<b>Total depreciation</b>	<b>116,422</b>	<b>148,897</b>

##### Other Expenses:

Fees/allowances - meetings and conferences	-	-
Consideration to employers for payroll deductions	-	-
Capitation fees	-	-
Penalties - via RO Act or RO Regulations	-	-

# Australian Nursing and Midwifery Federation and Controlled Entity

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## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 4 Cash and Cash Equivalents

	2016	2015
Note	\$	\$
Cash on hand	580	580
Cash at bank	842,843	1,225,129
	<u>843,423</u>	<u>1,225,709</u>

### 5 Trade and Other Receivables

#### CURRENT

Trade receivables	(a) 289,878	632,613
Provision for impairment	(b) (10,000)	(10,000)
<b>Net trade receivables</b>	<b>279,878</b>	<b>622,613</b>
Other receivables	5	55
	<u>279,883</u>	<u>622,668</u>

#### (a) Trade receivables from Branches

Included in the trade receivables balance are receivables from ANMF Branches. As per the requirements of Fair Work Act (Registered Organisations) Act 2009, trade receivables from ANMF Branches (reporting units) consist of:

#### Receivables from other reporting units

ANMF Australian Capital Territory Branch	9,657	8,546
ANMF New South Wales Branch	70	108,801
ANMF Northern Territory Branch	60	120
ANMF South Australian Branch	29,551	60,885
ANMF Tasmanian Branch	23,044	23,254
ANMF Victorian Branch	152,983	308,906
<b>Total receivable from other reporting units</b>	<b>215,365</b>	<b>510,512</b>
<b>Less provision for doubtful debt:</b>		
Other reporting units	-	-
<b>Total provision for doubtful debts from other reporting units</b>	<b>-</b>	<b>-</b>
Receivable from other reporting units (net)	<u>215,365</u>	<u>510,512</u>



# Australian Nursing and Midwifery Federation and Controlled Entity

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## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 5 Trade and Other Receivables continued

#### (b) Provision for impairment of receivables

Movement in provision for impairment of receivables is as follows:

	2016	2015
Note	\$	\$
Balance at beginning of the year	10,000	80,000
Reversal of impairment	-	(70,000)
Balance at end of the year	<u>10,000</u>	<u>10,000</u>
<b>6 Other financial assets</b>		
Held-to-maturity investments comprise:		
Term deposits - current	31,796	31,044
<b>7 Other Assets</b>		
<b>CURRENT</b>		
Prepayments	89,662	84,232
Security on leased premises	<u>2,520</u>	<u>2,520</u>
	<u><u>92,182</u></u>	<u><u>86,752</u></u>

# Australian Nursing and Midwifery Federation and Controlled Entity

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## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 8 Property, Plant and Equipment

	2016	2015
	\$	\$
<b>LAND AND BUILDINGS</b>		
<b>Land and buildings</b>		
At independent valuation	3,130,000	-
At cost	-	1,761,101
Accumulated depreciation	-	(352,330)
<b>Total land and buildings</b>	<b>3,130,000</b>	<b>1,408,771</b>
<b>PLANT AND EQUIPMENT</b>		
<b>Plant and equipment</b>		
At cost	506,768	692,516
Accumulated depreciation	(441,212)	(631,108)
Total plant and equipment	65,556	61,408
<b>Motor vehicles</b>		
At cost	61,729	61,729
Accumulated depreciation	(18,995)	(6,649)
Total motor vehicles	42,734	55,080
<b>Fitouts</b>		
At cost	444,100	418,910
Accumulated depreciation	(363,299)	(327,060)
Total fitouts	80,801	91,850
<b>Total plant and equipment</b>	<b>189,091</b>	<b>208,338</b>
<b>Total property, plant and equipment</b>	<b>3,319,091</b>	<b>1,617,109</b>

# Australian Nursing and Midwifery Federation and Controlled Entity

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## Notes to the Financial Statements

For the Year Ended 30 June 2016

**8 Property, Plant and Equipment continued**

**(a) Movements in carrying amounts of property, plant and equipment**

	Land and Buildings	Plant and Equipment	Motor Vehicles	Fitouts	Total
2016	\$	\$	\$	\$	\$
<b>Year ended 30 June 2016</b>					
Balance at the beginning of year	1,408,771	61,408	55,080	91,850	1,617,109
Additions	-	39,363	-	25,191	64,554
Depreciation expense	(32,621)	(35,215)	(12,346)	(36,240)	(116,422)
Revaluation increase recognised in equity	1,753,850	-	-	-	1,753,850
<b>Balance at the end of the year</b>	<b>3,130,000</b>	<b>65,556</b>	<b>42,734</b>	<b>80,801</b>	<b>3,319,091</b>
2015	\$	\$	\$	\$	\$
<b>Year ended 30 June 2015</b>					
Balance at the beginning of year	1,441,392	99,870	15,697	127,545	1,684,504
Additions	-	30,296	61,729	-	92,025
Disposals - written down value	-	-	(10,462)	-	(10,462)
Depreciation expense	(32,621)	(68,758)	(11,884)	(35,695)	(148,958)
<b>Balance at the end of the year</b>	<b>1,408,771</b>	<b>61,408</b>	<b>55,080</b>	<b>91,850</b>	<b>1,617,109</b>

# Australian Nursing and Midwifery Federation and Controlled Entity

ABN: 41 816 898 298

## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 9 Trade and Other Payables

	Note	2016 \$	2015 \$
<b>CURRENT</b>			
<b>Unsecured liabilities:</b>			
Trade payables	9(a)	216,480	286,516
Accrued expense		17,350	55,200
Sundry payables		97,337	133,506
GST payables		70,333	98,098
Consideration to employers for payroll deductions		-	-
		<u>401,500</u>	<u>573,320</u>
<b>(a) Payables include:</b>			
<b>Payables to other reporting units:</b>			
ANMF Australian Capital Territory Branch		579	-
ANMF Tasmanian Branch		815	-
ANMF New South Wales Branch		600	-
Total payables to other reporting units		<u>1,994</u>	<u>-</u>
<b>Payables for legal cost</b>			
Litigation		-	-
Other legal matters		-	-
Total payables to legal cost		<u>-</u>	<u>-</u>
<b>(b) Financial liabilities at amortised cost classified as trade and other payables</b>			
Trade and other payables:			
- total current		401,500	573,320
<b>Less:</b>			
GST payables		(70,333)	(98,098)
Financial liabilities as trade and other payables	15	<u>331,167</u>	<u>475,222</u>

### 10 Borrowings

#### NON-CURRENT

##### Secured liabilities:

Bank loans	10(a)	10,041	200,796
		<u>10,041</u>	<u>200,796</u>

# Australian Nursing and Midwifery Federation and Controlled Entity

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## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 10 Borrowings continued

#### (a) Bank loans

The bank overdraft and loan are secured by a registered first mortgage over the freehold properties of the Group by the Members Equity Bank. The facility is for a 20 year period maturing on 28 June 2032. The repayments for the first five years are interest only and the remainder of the loan period are principal and interest with flexibility of early repayment of principle. The carrying amounts of non-current assets pledged as security are freehold land and buildings with a value of \$3,130,000.

### 11 Provisions

#### Employee Provisions

	Note	2016 \$	2015 \$
<b>Office Holders:</b>			
Annual leave		76,948	74,185
Long service leave		103,567	87,340
Separations and redundancies		-	-
Other		16,178	23,632
<b>Subtotal employee provisions office holders</b>		<b>196,693</b>	<b>185,157</b>
<b>Employees other than office holders:</b>			
Annual leave		292,244	287,311
Long service leave		428,982	377,970
Separations and redundancies		-	-
Other		31,319	38,869
<b>Subtotal employee provisions employees other than office holders</b>		<b>752,545</b>	<b>704,150</b>
<b>Total employee provisions</b>		<b>949,238</b>	<b>889,307</b>
<b>Analysis of total provisions</b>			
Current		903,844	843,851
Non-current		45,394	45,456
		<b>949,238</b>	<b>889,307</b>

# Australian Nursing and Midwifery Federation and Controlled Entity

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## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 11 Provisions continued

#### Provision for Employee Benefits

Provision for employee benefits represents amounts accrued for annual leave, additional day off (ADO) and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements, ADO 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.

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.

### 12 Other Liabilities

	2016	2015
	\$	\$
<b>CURRENT</b>		
Unearned grant income	-	52,669
Unearned subscription	13,776	118,679
Other deferred income	20,441	-
	<u>34,217</u>	<u>171,348</u>

### 13 Equity

#### (a) Other Specific disclosures - Funds

Compulsory levy/voluntary contribution fund - if invested in assets	-	-
Other funds required by rules	-	-
	<u>-</u>	<u>-</u>

# Australian Nursing and Midwifery Federation and Controlled Entity

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## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 14 Cash Flow Information

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

	2016	2015
	\$	\$
Net surplus/(deficit) for the year	(330,982)	279,766
<b>Non-cash flows in surplus</b>		
Depreciation	116,422	148,958
Loss/(profit) on disposal of non-current assets	-	(9,539)
Provision for doubtful debts	-	(70,000)
<b>Changes in assets and liabilities</b>		
(Increase)/decrease in trade and term receivables	342,785	(287,436)
(Increase)/decrease in other assets	(5,430)	(27,386)
Increase/(decrease) in trade payables and accruals	(171,820)	(185,758)
Increase/(decrease) in other current liabilities	(137,131)	(124,071)
Increase/(decrease) in provisions	59,931	192,898
	<u>(126,225)</u>	<u>(82,568)</u>

#### (b) Cash flow with reporting units

##### Cash Inflows:

ANMF Australian Capital Territory Branch	163,610	142,860
ANMF New South Wales Branch	1,593,796	1,216,269
ANMF Northern Territory Branch	112,232	110,155
ANMF South Australian Branch	805,790	709,102
ANMF QNU Branch	1,207,142	1,058,266
ANMF Tasmanian Branch	287,026	258,792
ANMF Victorian Branch	3,677,533	3,241,864
ANMF Western Australian Branch	662,966	600,637
<b>Total cash inflows</b>	<u>8,510,095</u>	<u>7,337,945</u>

##### Cash outflows:

ANMF Australian Capital Territory Branch	(4,488)	(5,527)
ANMF New South Wales Branch	(52,873)	(6,897)
ANMF Northern Territory Branch	(7,646)	(10,307)
ANMF South Australian Branch	(261,183)	(1,348)
ANMF QNU Branch	(17,892)	(10,012)
ANMF Tasmanian Branch	(2,526)	(2,258)
ANMF Victorian Branch	(91,026)	(65,014)
ANMF Western Australian Branch	(20,419)	-
<b>Total cash outflows</b>	<u>(458,053)</u>	<u>(101,363)</u>

# Australian Nursing and Midwifery Federation and Controlled Entity

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## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 15 Financial Risk Management

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

The carrying value 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	2016 \$	2015 \$
<b>Financial Assets</b>			
Cash and cash equivalents	4	843,423	1,225,709
Trade and other receivables	5	279,883	622,668
Held to maturity (amortised cost)	6	31,796	31,044
<b>Total financial assets</b>		<b>1,155,102</b>	<b>1,879,421</b>
<b>Financial Liabilities</b>			
Trade and other payables	9	331,167	475,222
Borrowings	10	10,041	200,796
<b>Total financial liabilities</b>		<b>341,208</b>	<b>676,018</b>

#### Net Fair Values

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

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

#### Financial risk management policies

The Federal Council have overall responsibility for the establishment of the Group's financial risk management framework. This includes the development of policies covering specific areas.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The overall risk management policies seek to assist the Group in meeting its financial targets, while minimising potential adverse effects on financial performance.



# Australian Nursing and Midwifery Federation and Controlled Entity

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## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 15 Financial Risk Management continued

#### Financial risk management policies continued

Mitigation strategies for specific risks faced are described below:

#### (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 exposure

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying amount and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

The Group has no significant concentrations of credit risk exposure to any single counterparty or group of counterparties.

#### (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 entity 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 financial liabilities.

The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates and does not reflect management's expectations that banking facilities will be rolled forward.

# Australian Nursing and Midwifery Federation and Controlled Entity

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## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 15 Financial Risk Management continued

#### *Financial liability maturity analysis*

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2016	2015	2016	2015	2016	2015	2016	2015
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Financial liabilities due for payment</b>								
Trade and other payables (excluding estimated annual leave)	331,167	475,222	-	-	-	-	331,167	475,222
Borrowings (excluding finance lease)	-	-	-	-	10,041	200,796	10,041	200,796
<b>Total contractual outflows</b>	<b>331,167</b>	<b>475,222</b>	<b>-</b>	<b>-</b>	<b>10,041</b>	<b>200,796</b>	<b>341,208</b>	<b>676,018</b>

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

# Australian Nursing and Midwifery Federation and Controlled Entity

ABN: 41 816 898 298

## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 15 Financial Risk Management continued

#### (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.

#### (d) Price risk

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

#### (e) 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.

The financial instruments that expose the Group to interest rate risk are limited to bank loans, held-to-maturity financial assets and cash on hand.

#### Interest rate risk sensitivity analysis

At 30 June 2016, the effect on profit and equity as a result of changes in the interest rate, with all other variables remaining constant would be as follows:

	2016	2015
	\$	\$
<b>Change in profit</b>		
- Increase in interest rate +/- 2%	17,292	21,108
<b>Change in equity</b>		
- Increase in interest rate +/- 2%	17,292	21,108

### 16 Remuneration of Auditors

Remuneration of the auditor for:

- Financial statement audit services	19,950	21,850
- Preparation of general purpose financial report	5,400	5,150
	<u>25,350</u>	<u>27,000</u>

# Australian Nursing and Midwifery Federation and Controlled Entity

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## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 17 Fair Value Measurement

The group measures and recognises freehold land and buildings at fair value on a recurring basis after initial recognition.

The group does not subsequently measure any liabilities at fair value on a recurring, 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
30 June 2016	\$	\$	\$	\$
<b>Non-financial assets</b>				
Land and buildings	-	3,130,000	-	3,130,000

#### (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 measured. 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.

# Australian Nursing and Midwifery Federation and Controlled Entity

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## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 17 Fair Value Measurement continued

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

Description	Fair Value at	Valuation technique	Input used
	30 June 2016		
	\$		
Non-financial assets			
Land and buildings	3,130,000	Market approach using recent observable market data for similar properties; income approach using discounted cash flow methodology	Price per square metre; market borrowing rate

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.

#### (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
- bank loans

# Australian Nursing and Midwifery Federation and Controlled Entity

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## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 17 Fair Value Measurement continued

#### (c) Disclosed Fair Value Measurements continued

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

Description	Fair Value Hierarchy		Valuation Technique	Input used
	Note	Level		
<i>Assets</i>				
Accounts receivable and other debtors	5	3	Income approach using discounted cash flow methodology	Market interest rates for similar assets
Fixed interest securities	6	2	Income approach using discounted cash flow methodology	Yield curved based on market interest rates for remaining maturity period for similar assets
<i>Liabilities</i>				
Accounts payable and other payables	9	3	Income approach using discounted cash flow methodology	Market interest rates for similar liabilities
Bank loan	10	2	Income approach using discounted cash flow 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.

# Australian Nursing and Midwifery Federation and Controlled Entity

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## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 18 Capital and Leasing Commitments

#### (a) Operating lease commitments

Non-cancellable operating leases contracted for but not recognised in the financial statements.

	2016	2015
	\$	\$
<b>Payable - minimum lease payments</b>		
- not later than 12 months	16,068	12,324
- between 12 months and five years	34,606	36,972
	<u>50,674</u>	<u>49,296</u>

The operating lease commitments consist of two photocopy lease. The photocopy leases are a 48 months lease which commenced in 1 April 2015 and a 60 months lease which commenced 16 October 2015.

### 19 Related Parties

The Group's main related parties are as follows:

#### (a) Controlled entity

Australian Nursing and Midwifery Federation is the parent entity, which exercises control over the National Enrolled Nurse Association (NENA).

NENA is a Special Interest Group that was set up to promote the value of Enrolled Nurses and raise the awareness of the Enrolled Nurse role within the community whilst providing a forum for all Enrolled Nurses to participate at a National level.

Balances and transactions between Australian Nursing and Midwifery Federation and NENA have been eliminated on consolidation.

# Australian Nursing and Midwifery Federation and Controlled Entity

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## Notes to the Financial Statements

For the Year Ended 30 June 2016

### (b) Other related parties

The Group undertook related party transactions with the State Branches which are disclosed in note 2 and note 5 which were on normal commercial terms. Other related party transactions that were not disclosed in note 2 and note 5 as follow:

#### Contribution received from reporting units for shared database cost:

	2016	2015
	\$	\$
ANMF Australian Capital Territory Branch	809	604
ANMF New South Wales Branch	20,716	16,358
ANMF Northern Territory Branch	121	80
ANMF South Australian Branch	6,034	4,649
ANMF QNU Branch	16,158	12,589
ANMF Tasmanian Branch	2,274	1,760
ANMF Victorian Branch	22,777	17,692
ANMF Western Australian Branch	1,241	809
	<u>70,130</u>	<u>54,541</u>

#### Contribution received from reporting units for McKell project:

ANMF Australian Capital Territory Branch	309	-
ANMF New South Wales Branch	7,919	-
ANMF Northern Territory Branch	330	-
ANMF South Australian Branch	2,306	-
ANMF QNU Branch	6,176	-
ANMF Tasmanian Branch	869	-
ANMF Victorian Branch	8,706	-
ANMF Western Australian Branch	3,384	-
	<u>29,999</u>	<u>-</u>

#### Expenses paid to ANMF (SA Branch) includes the following:

Consultancy fee for Aged Care Skills Mix Project	228,000	-
	<u>228,000</u>	<u>-</u>



# Australian Nursing and Midwifery Federation and Controlled Entity

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## Notes to the Financial Statements

### For the Year Ended 30 June 2016

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

Included in note 13(b) are cash flows for reimbursements to and from reporting units 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 ANMF Australian Capital Territory Branch; and
- Travelling cost for state representatives to attend the Federal meetings and conference.

## 20 Key Management Personnel Disclosures

Key management personnel remuneration included within employee expenses for the year is shown below:

The Group paid an honorarium fee of \$3,500 and \$2,000 to the Federal President and Vice Federal President respectively for the year ended 30 June 2016. The other Executive Committee Members and the Federation's Councillors are not remunerated in their capacity as councillors.

	2016	2015
	\$	\$
<b>Key management personnel compensation:</b>		
- short-term employee benefits	381,278	379,609
- post-employment benefits	56,078	52,794
- other long-term benefits	16,228	16,832
- termination benefits	-	-
	<u>453,584</u>	<u>449,235</u>

## 21 Events after the end of the Reporting Period

There were no events that occurred after 30 June 2016, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Group.

# Australian Nursing and Midwifery Federation and Controlled Entity

ABN: 41 816 898 298

## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 22 Contingent Liabilities and Contingent Assets

Australian Nursing and Midwifery Federation Victorian Branch RTO Prepaid Course Monies Trust rights of indemnity

The establishment of RTO Prepaid Monies Trust is for the purpose of protecting the prepaid monies that students or intending students pay to the Australian Nursing and Midwifery Federation Victorian Branch, who are the provider of the courses, in respect of the future provision of education services to those students. The RTO Prepaid Monies Trust was established during 2012/2013 financial year. The Federal Office is the trustee of the Prepaid Course Monies Trust.

Rights of indemnity for liabilities incurred by the Federation on behalf of the Australian Nursing and Midwifery Federation Victorian Branch RTO Prepaid Course Monies Trust not recognised in the financial statements of the Group amounts to nil (2015: \$300,701).

The assets of the trust, which lie behind the right of indemnity, are not directly available to meet any liabilities of the Federal Office acting in its own right. The assets of the trust were sufficient to discharge all liabilities of the trust at 30 June 2016.

#### Business card facility

The Group has a business card facility of \$30,000 with the Commonwealth Bank of Australia, which is guaranteed by the Group's term deposit.

### 23 Acquisition of Assets and Liabilities

There was no acquisition 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 General Manager under subsection 245(1) of the RO Act of an alternative reporting structure for the organisation; or
- (d) a revocation by the General Manager under subsection 249(1) of the RO Act of a certificate issued to an organisation under subsection 245(1),

### 24 Economic Dependence and Going Concern

The Group is economically dependent on capitation fees received from each ANMF Branches. In the 2016 year this formed 61% of the total revenue used to operate the Group. The capitation fee received from each ANMF Branch is disclosed in Note 2(a). At the date of this report the Federal Council has no reason to believe the state Branches will not continue to support the Group.

The Group does not receive or provide any other forms of financial support from or to its state Branches.

# Australian Nursing and Midwifery Federation and Controlled Entity

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## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 25 Parent entity

Information relating to the parent entity, Australian Nursing and Midwifery Federation are as follows:

	2016	2015
	\$	\$
<b>Statement of Financial Position</b>		
Assets		
Current assets	1,255,117	1,959,099
Non-current assets	3,319,091	1,617,109
Total Assets	<u>4,574,208</u>	<u>3,576,208</u>
Liabilities		
Current liabilities	1,339,560	1,588,519
Non-current liabilities	55,435	246,252
Total Liabilities	<u>1,394,995</u>	<u>1,834,771</u>
Equity		
Retained earnings	1,425,362	1,741,438
Asset revaluation reserve	1,753,850	-
Total Equity	<u>3,179,212</u>	<u>1,741,438</u>
<b>Statement of Profit or Loss and Other Comprehensive Income</b>		
Surplus/(deficit) for the year	(316,077)	271,354
Other comprehensive income	1,753,850	-
<b>Total comprehensive income</b>	<u>1,437,773</u>	<u>271,354</u>

Refer to Note 21 for further details on contingent liabilities at year end.

# Australian Nursing and Midwifery Federation and Controlled Entity

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## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 26 Federal Office Details

The registered office of the Federal Office is:

Unit 3, 28 Eyre Street  
Kingston, ACT 2604

The principal places of business are:

Unit 3, 28 Eyre Street, Kingston ACT 2604  
and  
Level 1, 365 Queen Street, Melbourne VIC 3000

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

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

Information must be provided to members or the General Manager:

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

# Australian Nursing and Midwifery Federation and Controlled Entity

ABN: 41 816 898 298

## Statement by the Federal Council

On the 29.9.2016 the Federal Council of the Australian Nursing and Midwifery Federation passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 30 June 2016:

The Federal 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 the reporting guidelines of the General Manager;
- (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 Councillors were held in accordance with the rules of the 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 Federation including the rules of a Branch concerned;
  - iii. the financial records of the Group have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009;
  - iv. the financial records of the Branches considered as reporting units under the Federation have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the Federation.
  - v. where information has been sought in any request by a member of the Federation or the General Manager of the Fair Work Commission duly made under section 272 of the Fair Work (Registered Organisations) Act 2009 has been provided to the member or General Manager;
  - vi. there has been compliance where an order for any inspection of financial records has been made by Fair Work Commission under section 273 of the Fair Work (Registered Organisations) Act 2009;
- (f) no revenue has been derived from undertaking recovery of wages activity during the reporting period

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

Federal Secretary  .....

Lee Thomas

Dated 29/9/2016

# Australian Nursing and Midwifery Federation and Controlled Entity

ABN: 41 816 898 298

## Independent Audit Report to the members of Australian Nursing and Midwifery Federation and Controlled Entity

### Report on the Financial Report

We have audited the accompanying financial report of Australian Nursing and Midwifery Federation and Controlled Entity, which comprises the consolidated statement of financial position as at 30 June 2016, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and statement by the federal council of the consolidated entity comprising the Federation and the entities it controlled at the year's end or from time to time during the financial year.

#### *Councillor's Responsibility for the Financial Report*

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

#### *Auditor's Responsibility*

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial report.

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

#### *Independence*

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

# Australian Nursing and Midwifery Federation and Controlled Entity

ABN: 41 816 898 298

## Independent Audit Report to the members of Australian Nursing and Midwifery Federation and Controlled Entity

### *Auditor's Declaration*

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

### *Auditor's Opinion*

In our opinion, the financial report presents fairly, in all material respects, the financial position of Australian Nursing and Midwifery Federation and Controlled Entity as at 30 June 2016, and of their financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards and the requirements of the Fair Work (Registered Organisations) Act 2009 including Part 3 of Chapter 8 of the Act.

In our opinion, the management's use of the going concern basis of accounting in the preparation of the financial report of Australian Nursing and Midwifery Federation and Controlled Entity is appropriate.

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 Chartered Accountants**



Peter Shields  
Principal  
Registered Company Auditor

Blackburn VIC

Date: 29 September 2016