

SAWARD / DAWSON

chartered accountants

**Australian Nursing
and Midwifery Federation**
ABN: 41 816 898 298

Financial Statements
For the Year Ended
30 June 2014

Australian Nursing and Midwifery Federation

ABN: 41 816 898 298

Financial Report

For the Year Ended 30 June 2014

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Australian Nursing and Midwifery Federation

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Operating Report

For the Year Ended 30 June 2014

The Federal Council presents its report on the Australian Nursing and Midwifery Federation (the Federation) for the financial year ended 30 June 2014.

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:

Coral Levett, Federal President
Sally-Anne Jones, Federal Vice President
Lee Thomas, Federal Secretary
Yvonne Chaperon, Assistant Federal Secretary (to 14 February 2014)
Annie Butler, Assistant Federal Secretary (from 31 March 2014)
Jenny Miragaya, Secretary, ANMF ACT Branch
Athalene Rosborough, President, ANMF ACT Branch
Brett Holmes, Secretary, ANMF NSW Branch
Coral Levett, President, ANMF NSW Branch
Yvonne Falckh, Secretary, ANMF NT Branch
Shirel Nomoa, President, ANMF NT Branch
Beth Mohle, Secretary, ANMF Queensland Branch
Sally-Anne Jones, President, ANMF Queensland Branch
Elizabeth Dabars, Secretary, South Australian Branch
Marisa Bell, President, South Australian Branch
Neroli Ellis, Secretary, ANMF Tasmanian Branch
Emily Shepherd, President, ANMF Tasmanian Branch
Lisa Fitzpatrick, Secretary, ANMF Victorian Branch
Maree Burgess, President, ANMF Victorian Branch
Mark Olson, Secretary, ANMF WA Branch
Patricia Fowler, President, ANMF WA 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 230,711 to 239,935 for the year, including honorary members.
- Review of Industrial Regulation, Modern Awards and provision of support to ANMF Branches,
- Continued support and involvement with CoNNO and National Competency Standards for Nurse Practitioners,
- Provision of Professional Development services for members,
- Coordination of and provision of Secretariat services to the National Aged Care Alliance and National Enrolled Nurses Association (an ANMF special interest group); and
- Involvement with projects, national submissions and strengthening relationships with other peak nursing bodies.

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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 superannuation fund trustee(s) or director of a company that is a superannuation fund trustee

Name	Employee	Officer	Entity	Principal activity of the entity	ANMF appointment
Yvonne Chaperon	No	Yes	HESTA Super Fund (resigned February 2014)	Industry Superannuation Fund	Assistant Federal Secretary – Federal Office
Brett Holmes	No	Yes	HESTA Super Fund	Industry Superannuation Fund	NSW Branch Secretary
Lisa Fitzpatrick	No	Yes	First State Super	Industry Superannuation Fund	ANMF Vic Branch Secretary
Beth Mohle	No	Yes	Q Super	Industry Superannuation Fund	ANMF Queensland Branch Secretary
Paula (PIP) Carew	No	Yes	HESTA	Industry Superannuation Fund	ANMF Vic Branch Secretary

Number of members

The number of members (including Branch members) at the end of the financial year was 239,935 (2013: 230,711).

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Operating Report

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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 21. (2013: 21)

Signed in accordance with a resolution of the Federal Council:

Federal Secretary: .....

Lee Thomas

Dated this 26th..... day of Sept..... 2014

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Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2014

	Note	2014 \$	2013 \$
Revenue	2	7,684,830	8,405,213
Employee benefits expense	3(a)	(2,804,664)	(2,544,201)
Administration fees		(304,017)	(174,209)
Campaign expenses		(26)	(1,221,719)
Postage expenses		(819,555)	(701,594)
Australian Nursing and Midwifery Journal production expenses		(634,378)	(645,309)
Affiliation fees	3(b)	(570,981)	(595,336)
Consultancy expenses		(186,168)	(222,567)
Staff field work and associated expenses		(203,562)	(193,531)
Legal expenses	3(c)	(71,880)	(169,915)
Depreciation expense	3(f)	(150,171)	(162,745)
Doubtful debts expenses		(36,279)	(186)
Website expenses		(79,188)	(32,773)
Conference expenses		(181,117)	(111,943)
Accounting and audit fees		(39,719)	(36,850)
Occupancy expenses		(125,308)	(115,141)
Finance costs		(59,072)	(75,723)
Meeting expenses		(47,544)	(34,287)
Grants and donations	3(d)	(31,201)	(4,510)
Levies	3(e)	(364,053)	(295,255)
Insurance		(35,813)	(39,184)
Project expenses		(441,299)	(355,421)
Continuing Professional Education expenses		(164,723)	(111,863)
National Aged Care Alliance expenses		(78,862)	(118,616)
Other expenses		(28,267)	(30,580)
Surplus for the year		226,983	411,755
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		-	-
Other comprehensive income for the year		-	-
Total comprehensive income for the year		226,983	411,755

The accompanying notes form part of these financial statements.

Australian Nursing and Midwifery Federation

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Statement of Financial Position

As at 30 June 2014

	Note	2014 \$	2013 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	1,958,257	1,493,225
Trade and other receivables	5	268,602	896,075
Other financial assets	6	52,813	20,000
Other assets	7	59,366	41,147
TOTAL CURRENT ASSETS		<u>2,339,038</u>	<u>2,450,447</u>
NON-CURRENT ASSETS			
Property, plant and equipment	8	1,684,504	1,806,873
TOTAL NON-CURRENT ASSETS		<u>1,684,504</u>	<u>1,806,873</u>
TOTAL ASSETS		<u><u>4,023,542</u></u>	<u><u>4,257,320</u></u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	757,142	566,958
Short-term provisions	11	616,978	611,337
Other liabilities	12	295,419	576,445
TOTAL CURRENT LIABILITIES		<u>1,669,539</u>	<u>1,754,740</u>
NON-CURRENT LIABILITIES			
Borrowings	10	804,487	1,205,622
Long-term provisions	11	79,431	53,856
TOTAL NON-CURRENT LIABILITIES		<u>883,918</u>	<u>1,259,478</u>
TOTAL LIABILITIES		<u>2,553,457</u>	<u>3,014,218</u>
NET ASSETS		<u><u>1,470,085</u></u>	<u><u>1,243,102</u></u>
EQUITY			
Accumulated surpluses		<u>1,470,085</u>	<u>1,243,102</u>
TOTAL EQUITY		<u><u>1,470,085</u></u>	<u><u>1,243,102</u></u>

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity

For the Year Ended 30 June 2014

2014

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2013	1,243,102	1,243,102
Surplus for the year	226,983	226,983
Balance at 30 June 2014	1,470,085	1,470,085

2013

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2012	831,345	831,345
Surplus for the year	411,757	411,757
Balance at 30 June 2013	1,243,102	1,243,102

The accompanying notes form part of these financial statements.

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Statement of Cash Flows

For the Year Ended 30 June 2014

	2014	2013
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from members, branches and others	8,411,658	8,146,329
Grants received	354,654	933,134
Interest Received	15,603	2,511
Payments to suppliers and employees	(7,796,061)	(7,855,952)
Finance Costs	(59,072)	(70,541)
Net cash provided by (used in) operating activities	13(a) <u>926,782</u>	<u>1,155,481</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Redemption of term deposits	(32,813)	-
Acquisition of property, plant and equipment	(27,801)	(93,191)
Net cash used by investing activities	<u>(60,614)</u>	<u>(93,191)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of borrowings	(401,136)	(100,000)
Net cash used by financing activities	<u>(401,136)</u>	<u>(100,000)</u>
Net increase (decrease) in cash and cash equivalents held	465,032	962,290
Cash and cash equivalents at beginning of year	<u>1,493,225</u>	<u>530,935</u>
Cash and cash equivalents at end of financial year	4 <u><u>1,958,257</u></u>	<u><u>1,493,225</u></u>

The accompanying notes form part of these financial statements.

Australian Nursing and Midwifery Federation

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Notes to the Financial Statements

For the Year Ended 30 June 2014

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 ("the Federation") 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 at measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

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) Property, plant and equipment

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

Property

Freehold land and buildings are measured at cost less depreciation and impairment losses.

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.

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For the Year Ended 30 June 2014

1 Summary of Significant Accounting Policies continued

(c) Property, plant and equipment continued

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 Federation commencing from the time the asset is held ready for use.

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

Class of Fixed Asset	Depreciation Rate
Buildings	2%
Plant and Equipment	15%-33%
Motor Vehicles	20%
Improvements	10%

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

Each asset's carrying amount 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 and other comprehensive income.

(d) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Federation becomes a party to the contractual provisions of the instrument. For financial assets, this is the equivalent to the date that the 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.

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Notes to the Financial Statements

For the Year Ended 30 June 2014

1 Summary of Significant Accounting Policies continued

(d) Financial instruments continued

Initial recognition and measurement continued

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.

(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 Federation'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).

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.

(iii) Financial liabilities

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

Impairment

At the end of each reporting period, the Federation assesses whether there is objective evidence that a financial instrument has been impaired. Impairment losses are recognised in the statement of comprehensive income.

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 Federation 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 statement of comprehensive income.

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Notes to the Financial Statements

For the Year Ended 30 June 2014

1 Summary of Significant Accounting Policies continued

(e) 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 statement of financial position.

(f) Employee benefits

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

Employee benefits expected to be settled more than twelve months after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to the probability that the employee may satisfy vesting requirements. Cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows. Changes in the measurement of the liability are recognised in profit or loss.

Employee benefits are presented as current liabilities in the statement of financial position if the Federation does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date regardless of the classification of the liability for measurement purposes under AASB 119.

(g) Income tax

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*.

(h) 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 statement of financial position.

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

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Notes to the Financial Statements

For the Year Ended 30 June 2014

1 Summary of Significant Accounting Policies continued

(i) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to the Federation are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values.

Leased assets are depreciated on a diminishing value basis over their estimated useful lives where it is likely that the entity will obtain ownership of the asset. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the life of the lease term.

(j) 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.

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Notes to the Financial Statements

For the Year Ended 30 June 2014

1 Summary of Significant Accounting Policies continued

(k) 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.

(l) ANMF Branches

The Australian Nursing and Midwifery Federation (ANMF) is the federal body that coordinates the activities of the branches in response to national issues of importance to nurses and midwives. 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 (ACT) Branch
- ANMF Northern Territory (NT) Branch
- ANMF Victorian (VIC) Branch
- ANMF Tasmanian (TAS) Branch

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

- ANMF Western Australian (WA) Branch
- ANMF South Australian (SA) Branch
- ANMF New South Wales (NSW) Branch
- ANMF Queensland (QLD) Branch

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 Federation's accounts as the Federation 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.

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Notes to the Financial Statements

For the Year Ended 30 June 2014

1 Summary of Significant Accounting Policies continued

(m) Special Interest Group

The Federation has a Special Interest Group (SIG) named National Enrolled Nurse Association (NENA). NENA 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. NENA's financial statements have not been consolidated with the Federations financial report. NENA is audited separately and the financial impact of NENA is considered not material to the Federation.

(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.

(o) 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 future events and are based on current trends and economic data, obtained both externally and within the Federation.

(i) Key estimates - impairment

The Federation assesses impairment at the end of each reporting year by evaluating conditions specific to the Federation that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using depreciated replacement cost 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.

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Notes to the Financial Statements

For the Year Ended 30 June 2014

1 Summary of Significant Accounting Policies continued

(p) New Australian Accounting Standards

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 Federation. The Federation has decided not to early adopt any of the new and amended pronouncements. The Federation's assessment of the new and amended pronouncements that are relevant to the Federation but applicable in future reporting periods is set out below:

- AASB 10: Consolidated Financial Statements, AASB 11: Joint Arrangements, AASB 12: Disclosure of Interests in Other Entities, AASB 127: Separate Financial Statements (August 2011) and AASB 128: Investments in Associates and Joint Ventures (August 2011) (as amended by AASB 2012-10: Amendments to Australian Accounting Standards – Transition Guidance and Other Amendments), and AASB 2011-7: Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards (applicable for annual reporting periods commencing on or after 1 January 2013).

AASB 10 replaces parts of AASB 127: Consolidated and Separate Financial Statements (March 2008, as amended) and Interpretation 112: Consolidation – Special Purpose Entities. AASB 10 provides a revised definition of control and additional application guidance so that a single control model will apply to all investees. This Standard is not expected to significantly impact the Federation's financial statements.

AASB 11 replaces AASB 131: Interests in Joint Ventures (July 2004, as amended). AASB 11 requires joint arrangements to be classified as either "joint operations" (where the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities) or "joint ventures" (where the parties that have joint control of the arrangement have rights to the net assets of the arrangement). Joint ventures are required to adopt the equity method of accounting (proportionate consolidation is no longer allowed). This Standard is not expected to significantly impact the Federation's financial statements.

AASB 12 contains the disclosure requirements applicable to entities that hold an interest in a subsidiary, joint venture, joint operation or associate. AASB 12 also introduces the concept of a "structured entity", replacing the "special purpose entity" concept currently used in Interpretation 112, and requires specific disclosures in respect of any investments in unconsolidated structured entities. This Standard will affect disclosures only but is not expected to significantly impact the Federation's financial statements.

To facilitate the application of AASBs 10, 11 and 12, revised versions of AASB 127 and AASB 128 have also been issued. These Standards are not expected to significantly impact the Federation's financial statements.

- AASB 9: Financial Instruments (December 2010) and associated Amending Standards (applicable for annual reporting periods commencing on or after 1 January 2017).

These Standards will be applicable retrospectively (subject to the provisions on hedge accounting outlined below) and include revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments, and simplified requirements for hedge accounting.

The key changes that may affect the Federation on initial application of AASB 9 and associated Amending Standards include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, and the irrevocable election to recognise gains and losses on investments in equity

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Notes to the Financial Statements

For the Year Ended 30 June 2014

1 Summary of Significant Accounting Policies continued

(p) New Australian Accounting Standards continued

Future Australian Accounting Standards Requirements continued

instruments that are not held for trading in other comprehensive income. AASB 9 also introduces a new model for hedge accounting that will allow greater flexibility in the ability to hedge risk, particularly with respect to the hedging of non-financial items. Should the Federation elect to change its hedge accounting policies in line with the new hedge accounting requirements of AASB 9, the application of such accounting would be largely prospective.

Although the directors anticipate that the adoption of AASB 9 may have an impact on the Federation's financial instruments, it is impracticable at this stage to provide a reasonable estimate of such impact.

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Notes to the Financial Statements

For the Year Ended 30 June 2014

2 Revenue and Other Income

	Note	2014 \$	2013 \$
Revenue			
- Membership subscription		-	-
- Capitation fees	2(a)	4,215,843	3,935,734
- Australian Nursing and Midwifery Journal subscription fees	2(b)	1,635,506	1,566,882
- Campaign - branch contribution	2(c)	16,565	1,050,281
- Grants and donations	2(d)	354,654	611,718
- Australian Nursing Journal advertising income		459,944	514,631
- Biennial National Conference income	2(e)	218,341	-
- Continuing Professional Education income		228,902	221,996
- ACTU levy - branch contribution	2(f)	233,184	229,135
- Interest income		15,603	2,511
- Advanced Practice Nurse Study	2(g)	105,285	-
- Other income		201,003	272,325
		7,684,830	8,405,213

(a) Capitation fees

ACT Branch	41,068	37,219
NSW Branch	1,098,160	1,041,944
NT Branch	49,192	46,844
SA Branch	311,910	286,354
QLD Branch	901,012	841,271
TAS Branch	121,575	115,873
VIC Branch	1,219,876	1,143,095
WA branch	473,050	423,134
Total capitation fee income	4,215,843	3,935,734

(b) Australian Nursing and Midwifery Journal subscription fees

ACT Branch	38,399	35,797
NSW Branch	715	715
NT Branch	40,155	38,230
SA Branch	281,400	263,898
TAS Branch	107,805	104,691
VIC Branch	1,125,312	1,080,280
Non-reporting units	41,720	43,271
Total Australian Nursing and Midwifery Journal subscription fees	1,635,506	1,566,882

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Notes to the Financial Statements

For the Year Ended 30 June 2014

2 Revenue and Other Income continued

(c) Campaign contribution from branches

	2014	2013
	\$	\$
ACT Branch	2,051	11,562
NSW Branch	-	617,425
NT Branch	2,061	9,631
SA Branch	2,406	23,638
Queensland Nurses Union	6,173	286,795
TAS Branch	2,154	17,678
VIC Branch	1,115	83,552
WA Branch	605	-
Total	16,565	1,050,281

In the financial year 2014, the contribution received from branches was used for APHEDA Campaign for social justice work.

(d) Grants and donations

Grants	354,654	611,718
Donations	-	-
Total	354,654	611,718

(e) Biennial National Conference income

ACT Branch	1,735	-
NSW Branch	50,599	-
NT Branch	2,146	-
SA Branch	13,849	-
Queensland Nurses Union	40,708	-
TAS Branch	5,433	-
VIC Branch	54,706	-
WA Branch	20,255	-
Sponsorship from other non-reporting units	28,910	-
Total	218,341	-

Australian Nursing and Midwifery Federation

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Notes to the Financial Statements

For the Year Ended 30 June 2014

2 Revenue and Other Income continued

(f) ACTU levy - branch contribution

	2014	2013
	\$	\$
ACT Branch	2,986	2,768
NT Branch	3,520	3,424
SA Branch	23,522	29,784
Queensland Nurses Union	68,016	64,930
TAS Branch	8,923	8,666
VIC Branch	91,056	87,257
WA Branch	35,161	32,306
Total	233,184	229,135

During the financial year 2014, the Federation has written off \$67,469 amount owing from ANMF WA Branch for ACTU levy.

(g) Advanced Practice Nurse Study

ACT Branch	994	-
NSW Branch	27,693	-
NT Branch	1,171	-
SA Branch	7,827	-
Queensland Nurses Union	22,632	-
TAS Branch	2,969	-
VIC Branch	30,298	-
WA Branch	11,700	-
Total	105,285	-

Australian Nursing and Midwifery Federation

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Notes to the Financial Statements

For the Year Ended 30 June 2014

3 Expenses

(a) Employee expenses

	2014	2013
	\$	\$
Holders of office:		
Wages and salaries	241,622	256,364
Superannuation	48,145	46,469
Leave and other entitlements	92,035	89,749
Separation and redundancies	-	-
Other employee expenses	-	-
Subtotal employee expenses holders of office	381,802	392,582
Employees other than office holders:		
Wages and salaries	1,411,319	1,417,018
Superannuation	266,496	250,888
Leave and other entitlements	573,595	332,040
Separation and redundancies	-	-
Payroll tax	133,942	113,250
Other employee expenses	37,510	38,423
Subtotal employee expenses employees other than office holders	2,422,862	2,151,619
Total employee expenses	2,804,664	2,544,201

(b) Affiliation fees

Australian Council of Trade Unions	559,096	496,798
International Council of Nurses	-	96,283
National Rural Health Alliance Inc	60	200
APHEDA Union Aid Abroad	2,055	2,055
Public Policy Advocates Australia	9,091	-
Families Australia	50	-
Australian College of Nursing	629	-
Total	570,981	595,336

Australian Nursing and Midwifery Federation

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Notes to the Financial Statements

For the Year Ended 30 June 2014

3 Expenses continued

(c) Legal expenses

	2014	2013
Note	\$	\$
Litigation	-	-
Other legal matters	71,880	169,915
Total	71,880	169,915

(d) Grants or donations

Donations		
Total paid that were \$1,000 or less	1,874	1,510
Total paid that exceeded \$1,000	29,327	3,000
Grants		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Total	31,201	4,510

(e) Levies

Australian Council of Trade Unions	(i) 364,053	295,255
Total	364,053	295,255

(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

Depreciations:

- Land and buildings	68,316	68,316
- Plant and equipment	81,855	94,429
Total depreciation	150,171	162,745

Other Expenses:

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

Australian Nursing and Midwifery Federation

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Notes to the Financial Statements

For the Year Ended 30 June 2014

4 Cash and Cash Equivalents

	2014	2013
Note	\$	\$
Cash on hand	580	988
Cash at bank	1,957,677	1,492,237
	<u>1,958,257</u>	<u>1,493,225</u>

5 Trade and Other Receivables

CURRENT

Trade receivables	(a)	337,847	1,025,359
Provision for impairment	(b)	(80,000)	(147,284)
Net trade receivables		<u>257,847</u>	878,075
Other receivables		10,755	18,000
		<u>268,602</u>	<u>896,075</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

ACT Branch	3,561	5,736
NSW Branch	1,535	191,166
NT Branch	63	-
SA Branch	37,329	499
QLD Branch/QNU	23,659	22,149
TAS Branch	14,452	21,228
VIC Branch	62,396	42,937
WA Branch	16,010	35,597
Total receivable from other reporting units	<u>159,005</u>	319,312
Less provision for doubtful debt:		
Other reporting units	-	-
Total provision for doubtful debts from other reporting units	<u>-</u>	<u>-</u>
Receivable from other reporting units (net)	<u>159,005</u>	319,312

Australian Nursing and Midwifery Federation

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Notes to the Financial Statements

For the Year Ended 30 June 2014

5 Trade and Other Receivables continued

(b) Provision for impairment of receivables

Movement in provision for impairment of receivables is as follows:

	2014	2013
Note	\$	\$
Balance at beginning of the year	147,284	147,098
Charged for the year	36,279	186
Bad debt written off	<u>(103,563)</u>	-
Balance at end of the year	<u>80,000</u>	<u>147,284</u>

Included in bad debts written off are debts from ANMF WA Branch of \$67,469 (excluding GST).

6 Other financial assets

Held-to-maturity investments comprise:

Term deposits - current	52,813	20,000
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7 Other Assets

CURRENT

Prepayments	56,846	38,627
Security on leased premises	<u>2,520</u>	<u>2,520</u>
	<u>59,366</u>	<u>41,147</u>

Australian Nursing and Midwifery Federation

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Notes to the Financial Statements

For the Year Ended 30 June 2014

8 Property, Plant and Equipment

	2014	2013
	\$	\$
LAND AND BUILDINGS		
Land and buildings		
At cost	1,761,101	1,761,101
Accumulated depreciation	(319,709)	(287,088)
Total land and buildings	<u>1,441,392</u>	<u>1,474,013</u>
Freehold Improvements		
At cost	418,910	418,909
Accumulated depreciation	(291,365)	(255,670)
Total Freehold improvements	<u>127,545</u>	<u>163,239</u>
Total land and buildings	<u>1,568,937</u>	<u>1,637,252</u>
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	702,436	674,636
Accumulated depreciation	(602,566)	(527,511)
Total plant and equipment	<u>99,870</u>	<u>147,125</u>
Motor vehicles		
At cost	33,999	33,999
Accumulated depreciation	(18,302)	(11,503)
Total motor vehicles	<u>15,697</u>	<u>22,496</u>
Total plant and equipment	<u>115,567</u>	<u>169,621</u>
Total property, plant and equipment	<u><u>1,684,504</u></u>	<u><u>1,806,873</u></u>

Australian Nursing and Midwifery Federation

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Notes to the Financial Statements

For the Year Ended 30 June 2014

8 Property, Plant and Equipment continued

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

	Land	Buildings	Plant and Equipment	Motor Vehicles	Freehold Improvements	Total
	\$	\$	\$	\$	\$	\$
2014						
Year ended 30 June 2014						
Balance at the beginning of year	130,047	1,343,966	147,125	22,496	163,239	1,806,873
Additions	-	-	27,801	-	-	27,801
Depreciation expense	-	(32,621)	(75,056)	(6,799)	(35,695)	(150,171)
Balance at the end of the year	130,047	1,311,345	99,870	15,697	127,545	1,684,504

	Land	Buildings	Plant and Equipment	Motor Vehicles	Freehold Improvements	Total
	\$	\$	\$	\$	\$	\$
2013						
Year ended 30 June 2013						
Balance at the beginning of year	130,047	1,376,587	141,563	29,296	198,934	1,876,427
Additions	-	-	93,191	-	-	93,191
Depreciation expense	-	(32,621)	(87,629)	(6,800)	(35,695)	(162,745)
Balance at the end of the year	130,047	1,343,966	147,125	22,496	163,239	1,806,873

Australian Nursing and Midwifery Federation

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Notes to the Financial Statements

For the Year Ended 30 June 2014

9 Trade and Other Payables

	Note	2014 \$	2013 \$
CURRENT			
Unsecured liabilities:			
Trade payables	9(a)	478,013	241,509
Accrued expense		42,050	19,900
Sundry payables		96,227	110,344
GST payables		140,852	195,205
Consideration to employers for payroll deductions		-	-
		<u>757,142</u>	<u>566,958</u>
(a) Payables consist of:			
Payables to other reporting units:			
Queensland Nursing Union		5,566	-
ANMF TAS Branch		-	493
Total payables to other reporting units		<u>5,566</u>	<u>493</u>
Payables for legal cost			
Litigation		-	-
Other legal matters		2,105	98,115
Total payables to legal cost		<u>2,105</u>	<u>98,115</u>
(b) Financial liabilities at amortised cost classified as trade and other payables			
Trade and other payables:			
- total current		<u>757,142</u>	<u>566,958</u>
Less:			
GST payables		<u>(140,852)</u>	<u>(195,205)</u>
Financial liabilities as trade and other payables	14	<u>616,290</u>	<u>371,753</u>

Australian Nursing and Midwifery Federation

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Notes to the Financial Statements

For the Year Ended 30 June 2014

10 Borrowings

	2014	2013
Note	\$	\$
NON-CURRENT		
Secured liabilities:		
Bank loans	10(a) 804,487	1,205,622
	804,487	1,205,622

(a) Bank loans

The bank overdraft and loan are secured by a registered first mortgage over the freehold properties of the Federation 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 written down value of \$1,568,937 (2013:\$1,637,252).

11 Provisions

Employee Provisions

Office Holders:

Annual leave	42,759	38,871
Long service leave	46,097	59,413
Separations and redundancies	-	-
ADO	12,599	15,227

Subtotal employee provisions office holders

101,455 113,511

Employees other than office holders:

Annual leave	244,300	241,278
Long service leave	310,012	284,104
Separations and redundancies	-	-
ADO	40,642	26,300

Subtotal employee provisions employees other than office holders

594,954 551,682

Total employee provisions

696,409 665,193

Analysis of total provisions

Current	616,978	611,337
Non current	79,431	53,856
	696,409	665,193

Australian Nursing and Midwifery Federation

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Notes to the Financial Statements

For the Year Ended 30 June 2014

11 Provisions continued

Provision for Annual Leave Employee Benefits and Additional Paid Day Off (ADO)

Provision for employee benefits represents amounts accrued for annual leave, additional paid 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 Federation 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 Federation 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.

Movements in Employee Provisions

	Employee benefits	Total
	\$	\$
Opening balance at 1 July 2013	665,193	665,193
Additional provisions raised during the year	370,297	369,234
Amounts used	(339,081)	(338,018)
Balance at 30 June 2014	<u>696,409</u>	<u>696,409</u>

12 Other Liabilities

CURRENT

Unearned grant income	179,067	463,071
Conference income in advance	100,000	93,697
Unearned subscription	16,352	19,677
	<u>295,419</u>	<u>576,445</u>

Australian Nursing and Midwifery Federation

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Notes to the Financial Statements

For the Year Ended 30 June 2014

13 Cash Flow Information

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

	2014	2013
	\$	\$
Net surplus for the year	226,983	411,757
Non-cash flows in surplus		
Depreciation	150,171	162,745
Provision for doubtful debts	(67,283)	186
Changes in assets and liabilities		
(Increase)/decrease in trade and term receivables	694,757	55,187
(Increase)/decrease in other assets	(18,220)	(16,287)
(Increase)/decrease in trade payables and accruals	190,184	9,390
(Increase)/decrease in other current liabilities	(281,026)	413,861
(Increase)/decrease in provisions	31,216	118,642
	<u>926,782</u>	<u>1,155,481</u>

(b) Cash flow with reporting units

Cash Inflows:

ACT Branch	141,861	111,658
NSW Branch	1,532,647	1,651,859
NT Branch	109,947	109,616
SA Branch	720,588	749,364
QLD Branch/QNU	1,156,710	1,321,909
TAS Branch	282,482	291,644
VIC Branch	3,410,741	3,495,256
WA Branch	545,340	476,467

Total cash inflows

<u>7,900,316</u>	<u>8,207,773</u>
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Cash outflows:

ACT Branch	(4,860)	(48,586)
NSW Branch	(66,880)	(10,765)
NT Branch	(2,500)	(1,420)
SA Branch	(36,426)	(48,586)
QLD Branch/QNU	(2,631)	(1,582)
TAS Branch	(4,402)	(1,000)
VIC Branch	(11,084)	(158,987)
WA Branch	-	-

Total cash outflows

<u>(128,783)</u>	<u>(270,926)</u>
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Australian Nursing and Midwifery Federation

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Notes to the Financial Statements

For the Year Ended 30 June 2014

14 Financial Risk Management

The Federation'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	2014 \$	2013 \$
Financial Assets			
Cash and cash equivalents	4	1,958,257	1,493,225
Trade and other receivables	5	268,602	896,075
Held-to-maturity investments	6	52,813	20,000
Total financial assets		2,279,672	2,409,300
Financial Liabilities			
Trade and other payables	9	616,290	371,753
Borrowings	10	804,487	1,205,622
Total financial liabilities		1,420,777	1,577,375

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 council members have overall responsibility for the establishment of Australian Nursing and Midwifery Federation'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 Australian Nursing and Midwifery Federation's activities. The overall risk management policies seek to assist Australian Nursing and Midwifery Federation in meeting its financial targets, while minimising potential adverse effects on financial performance.

Mitigation strategies for specific risks faced are described below:

Australian Nursing and Midwifery Federation

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Notes to the Financial Statements

For the Year Ended 30 June 2014

14 Financial Risk Management continued

(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 Australian Nursing and Midwifery Federation and arises principally from Australian Nursing and Midwifery Federation'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 Federation 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 Australian Nursing and Midwifery Federation 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

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Notes to the Financial Statements

For the Year Ended 30 June 2014

14 Financial Risk Management continued

Financial liability maturity analysis

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2014	2013	2014	2013	2014	2013	2014	2013
	\$	\$	\$	\$	\$	\$	\$	\$
Financial liabilities due for payment								
Trade and other payables (excluding estimated annual leave)	616,290	371,753	-	-	-	-	616,290	371,753
Borrowings (excluding finance lease)	-	-	74,828	52,992	729,659	1,152,630	804,487	1,205,622
Total contractual outflows	616,290	371,753	74,828	52,992	729,659	1,152,630	1,420,777	1,577,375

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

Australian Nursing and Midwifery Federation

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Notes to the Financial Statements

For the Year Ended 30 June 2014

14 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.

ii. 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. Australian Nursing and Midwifery Federation is also exposed to earnings volatility on floating rate instruments.

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

iii. Price risk

Australian Nursing and Midwifery Federation is not exposed to any material commodity price risk.

Interest rate risk sensitivity analysis

At 30 June 2014, 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:

	2014	2013
	\$	\$
Change in profit		
- Increase in interest rate +/- 2%	24,120	6,245
Change in equity		
- Increase in interest rate +/- 2%	24,120	6,245

15 Remuneration of Auditors

Remuneration of the auditor of the Federation for:

- Financial statement audit services	18,950	16,500
- Preparation of general purpose financial report	4,900	3,400
	<u>23,850</u>	<u>19,900</u>

Australian Nursing and Midwifery Federation

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Notes to the Financial Statements

For the Year Ended 30 June 2014

16 Fair Value Measurement

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

(a) 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

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	Note	Fair Value Hierarchy Level	Valuation technique	Input used
<i>Assets</i>				
Accounts receivable and other debtors	5, 14	3	Income approach using discounted cash flow methodology	Market interest rates for similar assets
Fixed interest securities	6, 14	2	Income approach using discounted cash flow methodology	Yield curves based on market interest rates for remaining maturity period for similar assets
<i>Liabilities</i>				
Accounts payable and other payables	9, 14	3	Income approach using discounted cash flow methodology	Market interest rates for similar liabilities
Bank loan	10, 14	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

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Notes to the Financial Statements

For the Year Ended 30 June 2014

17 Capital and Leasing Commitments

(a) Operating lease commitments

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

	2014	2013
	\$	\$
Payable - minimum lease payments		
- not later than 12 months	17,431	8,580
- between 12 months and five years	-	7,150
	<u>17,431</u>	<u>15,730</u>

The operating lease commitments consist of a postage meter and photocopy lease. The postage meter lease is a 60 month lease which commenced on 14 April 2010 and the photocopy lease is a 48 months lease which commenced on 29 August 2011.

18 Related Parties

The Federation 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:

ACT Branch	115	-
NSW Branch	16,676	-
NT Branch	135	-
SA Branch	4,715	-
Queensland Nurses Union	13,565	-
TAS Branch	1,788	-
VIC Branch	18,228	-
WA Branch	1,356	-
	<u>56,578</u>	<u>-</u>

Expenses paid to ANMF SA includes the following:

Consultancy fee for Pathways Project including reimbursements paid	18,237	59,580
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Australian Nursing and Midwifery Federation

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Notes to the Financial Statements

For the Year Ended 30 June 2014

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 VIC and ANMF ACT; and
- Travelling cost for state representatives to attend the Federal meetings and conference.

19 Key Management Personnel Disclosures

The Federation paid an honorarium fee of \$3,000 and \$1,500 to President and Vice President respectively for the year ended 30 June 2014. The other Executive Committee Members and the Federation's Councillors are not remunerated in their capacity as councillors.

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

	2014	2013
	\$	\$
Key management personnel compensation:		
- short-term employee benefits	327,977	334,583
- post-employment benefits	48,145	46,469
- other long-term benefits	5,680	11,530
- termination benefits	-	-
	<u>381,802</u>	<u>392,582</u>

20 Events after the end of the Reporting Period

There were no events that occurred after 30 June 2014, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Federation.

Australian Nursing and Midwifery Federation

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Notes to the Financial Statements

For the Year Ended 30 June 2014

21 Contingent Liabilities and Contingent Assets

Australian Nursing 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 Federation 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 Federation amounts to \$713,126.

The assets of the trust, which lie behind the right of indemnity, are not directly available to meet any liabilities of the Federation acting in its own right. The assets of the trust were sufficient to discharge all liabilities of the trust at 30 June 2014.

Facility held for payment of wages

The Federation has a facility of \$60,000 with the Commonwealth Bank of Australia, which is utilised for payment of wages of employees.

Business card facility

The Federation has a business card facility of \$20,000 with the Commonwealth Bank of Australia, which is guaranteed by the Federation's term deposit.

ANMF Australian Capital Territory (ACT) Branch

During the year, the Federal Office purchased a property at Dundas Court, Philip, ACT 2606 on behalf of ANMF ACT Branch. The cost of the property is \$455,000. The Federal Office does not recognise the asset in the Statement of Financial Position as the Federal Office is not the beneficial owner of the property.

The Federal Office also took a loan of \$318,000 from Members Equity Bank on behalf of ANMF ACT Branch to purchase the property which was secured by a registered first mortgage. The loan is for a 15 years period maturing in year 2029. The loan repayment is 'principle and interest' until loan expiry and it is to be paid by ANMF ACT branch. The balance of the account as at 30 June 2014 is \$313,381.

22 Acquisition of Assets and Liabilities

There we 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),

Australian Nursing and Midwifery Federation

ABN: 41 816 898 298

Notes to the Financial Statements

For the Year Ended 30 June 2014

23 Economic Dependence and Going Concern

The Federation is economically dependent on capitation fees received from each ANMF branches. In the 2014 year this formed 55% of the total revenue used to operate the Federation. 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 Federation.

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

24 Federation Details

The registered office of the Federation is:

Australian Nursing and Midwifery Federation
Unit 3, 28 Eyre St
Kingston, ACT 260

The principal places of business are:

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

25 Information to be supplied to Members or General Manager

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

- (1) A member of the Australian Nursing Federation, or the General Manager, may apply to the Federation for specific prescribed information in relation to the Federation 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 Federation.
- (3) The Federation must comply with an application made under subsection (1).

Australian Nursing and Midwifery Federation

ABN: 41 816 898 298

Statement by the Federal Council

On the 26 Sept 2014 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 2014:

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 of the Fair Work Commission;
- (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 Federation have been managed in accordance with the rules of the Federation including the rules of a branch concerned;
 - iii. the financial records of the Federation 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. the information sought in any request of 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 furnished to the member or General Manager of the Fair Work Commission;
 - 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;
 - vii. 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:

26 September 2014

Australian Nursing and Midwifery Federation

ABN: 41 816 898 298

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

Report on the Financial Report

We have audited the accompanying financial report of Australian Nursing and Midwifery Federation, which comprises the statement of financial position as at 30 June 2014, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Statement by Federal Council of the Federation.

Councillors' 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 the Councillors determine is necessary to enable the preparation 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

ABN: 41 816 898 298

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

Auditor's Declaration

We declare that the auditor:

- (a) is an approved auditor;
- (b) is a person who is a member of the Institute of Chartered Accountants in Australia; and
- (c) holds a current Public Practice Certificate.

Auditor's Opinion

In our opinion:

- (a) the general purpose financial report of the Australian Nursing and Midwifery Federation presents fairly the financial position as at 30 June 2014, and of its financial performance and its cash flows for the year then ended and is in accordance with:
 - (i) Australian Accounting Standards (including Australian Accounting Interpretation); and
 - (ii) requirement of the Fair Work (Registered Organisations) Act 2009 including Part 3 of Chapter 8 of the Act
- (b) the Federation did not participate in any recovery of wages activity during the year;
- (c) the management's use of the going concern basis of accounting in the preparation of the Federation's financial report is appropriate.

Saward Dawson Chartered Accountants



Peter Shields
Partner

Blackburn VIC

Date: 26 September 2014