



25 November 2016

Ms Elizabeth Mohle
Branch Secretary
Australian Nursing and Midwifery Federation, QNU Branch
187 Melbourne Street
WEST END QLD 4101

via email: gnu@gnu.org.au

Dear Ms Mohle

Australian Nursing and Midwifery Federation QNU Branch Financial Report for the year ended 30 June 2016 - [FR2016/316]

I acknowledge receipt of the financial report for the year ended 30 June 2016 for the Australian Nursing and Midwifery Federation QNU Branch (the **reporting unit**). The financial report was lodged with the Fair Work Commission (**FWC**) on 22 November 2016.

The financial report has now been filed. You are not required to take any further action in respect of the report lodged

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

Please note that the financial report for the year ending 30 June 2017 may be subject to an advanced compliance review.

Reporting Requirements

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

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 8656 4681 or by email at joanne.fenwick@fwc.gov.au.

Yours sincerely

Joanne Fenwick
Financial Reporting Specialist
Regulatory Compliance Branch

AUSTRALIAN NURSING AND MIDWIFERY FEDERATION QNU BRANCH

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

CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER

Certificate for the period ended June 30 2016

I *Elizabeth Ruth Mohle* being the Secretary of the Australian Nursing and Midwifery Federation QNU Branch certify:

- that the documents lodged herewith are copies of the full report for the Australian Nursing and Midwifery Federation QNU Branch for the period ended June 30 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 21 October 2016 and
- that the full report was presented to a meeting of the committee of management of the reporting unit on 21 November 2016 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer:..........

Name of prescribed designated officer

Elizabeth Ruth Mohle

Title of prescribed designated officer: Secretary

Dated

21 November 2016

**Australian Nursing and Midwifery Federation
QNU Branch**

30 June 2016

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INDEPENDENT AUDITOR'S REPORT

To the members of Australian Nursing & Midwifery Federation (QNU Branch)

Report on the Financial Report

We have audited the accompanying financial report of the Australian Nursing & Midwifery Federation (QNU Branch) which comprises the statement of comprehensive income, the statement of financial position, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the Statement of the Management Committee.

The Committee of Managements' Responsibility for the Financial Report

The Committee of Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Fair Work (Registered Organisations) Act 2009* and the reporting guidelines of the General Manager, and for such internal control as the Committee of Management 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.

The financial report has been prepared for the distribution to members of the Association for the purpose of fulfilling the requirements of subsections 265(1) and 265(5) of the *Fair Work (Registered Organisations) Act 2009* in relation to the financial report and independent auditors' report.

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 of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee of Management, as well as evaluating the overall presentation of the financial report.

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 the Australian professional accounting bodies.

Opinion

In our opinion the financial report presents fairly, in all material respects, the financial position of Australian Nursing & Midwifery Federation (QNU Branch) as at 30 June 2016, its financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards and the *Fair Work (Registered Organisations) Act 2009* and the reporting guidelines of the General Manager.

Report on recovery of wages activity

We have audited the recovery of wages activity financial report included in Australian Nursing & Midwifery Federation (QNU Branch)'s report for the year ended 30 June 2016.

The Committee of Management are responsible for the preparation and fair presentation of the recovery of wages activity financial report in accordance with the reporting guidelines of the General Manager. Our responsibility is to express an opinion on the wages activity financial report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion, the recovery of wages activity financial report presents fairly, in all material respects the recovery of wages activity of Australian Nursing & Midwifery Federation (QNU Branch) for the year ended 30 June 2016 in accordance with the guidelines of the General Manager, including:

- a) any fees charged to, or reimbursements of expenses claimed from, members and others for recovery of wages activity; and
- b) any donations or other contributions deducted from recovered money.

Use of Going Concern Assumption

As part of our audit of the financial report, we have concluded that managements use of the going concern assumption as set out in Note 1.9 in the preparation of the financial statements is appropriate. Because not all future events or conditions can be predicted, this statement is not a guarantee as to the entity's ability to continue as a going concern.



Declaration by the auditor

I, Tim Mann, declare the following:

I am a registered auditor;

I am a member of the Institute of Chartered Accountants in Australia; and

I hold a current Public Practice Certificate.

BDO Audit Pty Ltd

A handwritten signature in black ink, appearing to read 'T R Mann', is written over a faint, light-colored BDO logo watermark.

T R Mann
Director

Brisbane, 21 October 2016

OPERATING REPORT

For Year Period 30 June 2016

Review of principal activities and any significant changes during the year

The principal activities of the Branch during the reporting period were to provide industrial and professional services to the members, consistent with the objects of the Federation, and particularly the object of protecting and improving the interests of the members.

The Branch's principal activities result in maintaining and improving the wages and conditions of employment of the membership.

There were no significant changes in the nature of the Branch's principal activities and financial affairs during the reporting period.

Right of members to resign

Members may resign from the Branch in accordance with Rule 10, which reads as follows:

10 – TERMINATION OF MEMBERSHIP

10.1 A member shall cease to be a member when;

- (i) He or she is expelled for breach of these Rules; or
- (ii) the period of notice of intention to resign (unless previously withdrawn) has expired; or
- (iii) he or she is unfinancial for a period of more than six months or,
- (iv) being eligible for membership solely because he or she was appointed as an officer of the Federation is no longer so eligible, or
- (v) he or she dies

10.2 (i) A member may resign from membership by written notice addressed and delivered to the Branch Secretary in which he or she is a member.

Officer of the Branch who is a superannuation fund trustee

Elizabeth Ruth Mohle was appointed a Trustee Director of QSuper Superannuation fund number 261041941 from 1st December 2013. She was nominated as a Trustee Director by the Queensland Nurses Union.

Number of members

The number of persons who, at the end of the reporting period, were recorded on the Register of Members of the Branch was 56,109 with 53,483 financial and 2,626 unfinancial members.

Number of Employees

At 30 June 2016, the Branch had no direct employees.

Members of Committee of Management

The persons who held office as members of the Committee of Management of the Branch during the reporting period are:

ANMF Council

President Sally-Anne Jones 01/07/15-30/06/16
Secretary Elizabeth Ruth Mohle 01/07/15-30/06/16
Assistant Secretary Sandra Jean Eales 01/07/15-30/06/16
Vice President Stephen Bone 01/07/15-30/06/16
Executive Members Kym Volp 01/07/15-30/06/16 Simon Mitchell 01/07/15-30/06/16
Damien Lawson 01/07/15-30/06/16 David Lewis 01/07/15-30/06/16

Councillors: Karen Shepherd 01/07/15-30/06/16 LucyndaMaskell 1/07/15-30/06/16
Katy Taggart 01/07/15-30/06/16 Dianne Corbett 1/07/15-30/06/16
Barbara Hastie 1/07/15-31/07/15 Phillip Jackson 1/07/15-30/06/16
Fiona Monk 1/07/15-30/06/16 Charmaine Wicking 1/07/15-30/06/16
Marilyn Dianne Webb 1/07/15-30/06/16 Sue Pitman 1/07/15-30/06/16
Christine Cocks 1/07/15-30/06/16 Deborah Watt 1/07/15-30/06/16
Karen Cooke 1/07/15-30/06/16 Jean Crabb 1/07/15-30/06/16
Daniel Prentice 1/07/15-30/06/16 Julie Wilson 1/07/15-31/07/15
Julie Burgess 1/07/15-30/06/16 Gillian Gibbs 01/08/15-30/06/16
Shelley Howe 1/07/15-30/06/16 Leanne Jiggins 01/08/15-30/06/16



Elizabeth Ruth Mohle

Secretary

21st October 2016

AUSTRALIAN NURSING AND MIDWIFERY FEDERATION QNU BRANCH STATEMENT OF MANAGEMENT COMMITTEE

For Year Period 30 June 2016

On 21st October 2016 the Committee of Management of Australian Nursing and Midwifery Federation QNU Branch (ANMF QNU Branch) passed the following resolution in relation to the general-purpose financial report (GPFR) of the Branch for the financial year ended 30 June 2016.

The Committee of Management declares in relation to the GPFR 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 Fair Work Australia;
- c) The financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the Branch for the financial year to which they relate;
- d) There are reasonable grounds to believe the Branch will be able to pay its debts as and when they become due and payable;
- e) During the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the Committee of Management were held in accordance with the rules of the organisation including the rules of the branch concerned;
 - (ii) the financial affairs of the Branch have been managed in accordance with the rules of the organisation including the rules of the branch concerned; and
 - (iii) the financial records of the Branch have been kept and maintained in accordance with the RO Act 2009;
 - (iv) where the organisation consists of two or more Branches, the financial records of the Branch have been kept, as far as practicable, in a consistent manner with each of the other Branches of the organisation; and
 - (v) where information has been sought in any request by a member of the Branch or General Manager duly made under section 272 of the RO Act has been provided to the member or General Manager; and
 - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.

- 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 Committee of Management.



Sally-Anne Jones

Branch President

Date 21st October 2016



Elizabeth Ruth Mohle

Branch Secretary

Date 21st October 2016

Australian Nursing and Midwifery Federation QNU Branch
Statement of Comprehensive Income
For The Period Ended 30 June 2016

	Note	2016 \$	2015 \$
Revenue	3	1,044,745	915,673
Capitation expense	4	(974,942)	(915,673)
Levy		(69,803)	-
Total expenses		(1,044,745)	(915,673)
Income tax expense		-	-
Profit (loss) for the year		-	-
Other comprehensive		-	-
<i>Items that will not be subsequently reclassified to profit or loss</i>			
Gain on revaluation of land & buildings		-	-
Total comprehensive income for the year		-	-

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

Australian Nursing and Midwifery Federation QNU Branch

Statement of Financial Position

As at 30 June 2016

	Note	2016 \$	2015 \$
CURRENT ASSETS			
Cash and cash equivalents	5	2,805	2,805
Trade and other receivables		-	-
TOTAL CURRENT ASSETS		2,805	2,805
TOTAL ASSETS		2,805	2,805
CURRENT LIABILITIES			
Other liabilities		-	-
TOTAL CURRENT LIABILITIES		-	-
TOTAL LIABILITIES		-	-
NET ASSETS		2,805	2,805
EQUITY			
Accumulated Funds	7	2,805	2,805
TOTAL EQUITY		2,805	2,805

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

Australian Nursing and Midwifery Federation QNU Branch
Statement of Cash Flows
For The Period Ended 30 June 2016

	Note	2016 \$	2015 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts for capitation and members		974,942	915,673
Payments to ANF for capitation and levies		(974,942)	(915,673)
NET CASH PROVIDED BY OPERATING ACTIVITIES	9	-	-
Net Decrease in Cash Held		-	-
Cash at the Beginning of the Financial Year		2,805	2,805
Cash at the End of the Financial Year		2,805	2,805

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

Australian Nursing and Midwifery Federation QNU Branch

Statement of Changes in Equity

For The Period Ended 30 June 2016

	Note	Accumulated Funds \$	Total \$
Balance at 1st July 2014		2,805	2,805
Net Profit/(Loss) for the year		-	-
Other comprehensive income for the year		-	-
Balance at 30th June 2015		2,805	2,805
Net Profit/(Loss) for the year		-	-
Other comprehensive income for the year		-	-
Balance at 30th June 2016	7	2,805	2,805

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

Australian Nursing and Midwifery Federation QNU Branch

Recovery of Wages Activity

For The Year Ended 30 June 2016

	2016	2015
	\$	\$
Cash assets in respect of recovered money at beginning of year	-	-
Receipts		
Amounts recovered from employers in respect of wages etc.	-	-
Interest received on recovered money	-	-
Total Receipts	-	-
Payments		
Deduction of amounts due in respect of		
12 months or less	-	-
Greater than 12 months	-	-
Deduction of donations or other contributions		
The Branch:		
name of account	-	-
name of fund	-	-
Name of other Branch of the organisation:		
name of account	-	-
name of fund	-	-
Name of other entity:		
name of account	-	-
name of fund	-	-
Deductions of fees or reimbursement of expenses	-	-
Payments to workers in respect of recovered money	-	-
Total Payments	-	-
Cash assets in respect of recovered money at end of year	-	-
Number of workers to which the monies recover related	-	-
Aggregate payables to workers attributable to recovered monies but not yet distributed		
Payable balance	-	-
Number of workers the payable relates to	-	-
Fund or account operated for recovery of wages	-	-

Australian Nursing and Midwifery Federation QNU Branch

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Note 2	Events after the Reporting Period
Note 3	Revenue
Note 4	Expenses
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Note 12	Financial Risk management
Note 13	Section 272 <i>Fair Work (Registered Organisations) Act 2009</i>

Australian Nursing and Midwifery Federation QNU Branch

Note 1 Summary of significant accounting policies

1.1 Basis of preparation of the financial statements

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the *Fair Work (Registered Organisations) Act 2009*. For the purpose of preparing the general purpose financial statements, Australian Nursing and Midwifery Federation QNU Branch (The Branch) is a not-for-profit entity.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost, except for certain assets and liabilities measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

1.2 Comparative amounts

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

1.3 Significant accounting judgements and estimates

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

1.4 New Australian Accounting Standards

Adoption of New Australian Accounting Standard requirements

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

Future Australian Accounting Standards Requirements

There are no new standards, amendments to standards or interpretations that were issued prior to the sign-off date that are applicable to the future reporting period that are expected to have a future financial impact on the Branch.

1.5 Revenue

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

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

Revenue from the sale of goods is recognised when, the risks and rewards of ownership have been transferred to the buyer, the entity retains no managerial involvement or effective control over the

Australian Nursing and Midwifery Federation QNU Branch

Note 1 Summary of significant accounting policies

goods, the revenue and transaction costs incurred can be reliably measured, and it is probable that the economic benefits associated with the transaction will flow to the entity.

Donation income is recognised when it is received.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

Interest revenue is recognised on an accrual basis using the effective interest method.

Rental revenue from operating leases is recognised on a straight-line basis over the term of the relevant lease.

1.6 Capitation fees and levies

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

1.7 Cash

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

1.8 Taxation

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

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

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

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

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

1.9 Going concern

The Branch operates in a going concern basis, with funds from membership subscriptions.

Australian Nursing and Midwifery Federation QNU Branch

Note 1 Summary of significant accounting policies

1.10 Going Concern – financial support received

The AN&MF QNU Branch's ability to continue as a going concern is not reliant on the agreed financial support of another reporting unit.

1.11 Going Concern financial support provided

The AN&MF QNU Branch has not agreed to provide support to ensure another reporting unit has the ability to continue as a going concern.

Note 2 Events after 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 Branch.

Note 3 Revenue

	2016 \$	2015 \$
Note 3A: Capitation	974,942	915,673
Note 3B: Levies	69,803	-
Note 3C: Interest	-	-
Note 3E: Grants or donations	-	-
Total Revenue	1,044,745	915,673

The income disclosed above is derived entirely from the Queensland Nurses' Union of Employees.

Australian Nursing and Midwifery Federation QNU Branch

Note 4 Expense

	2016 \$	2015 \$
Note 4A: Employee expenses	-	-
Note 4B: Capitation fees	974,942	915,673
Note 4D: Administration expenses		
- Levies	69,803	-
- Consideration to employers for payroll deductions	-	-
- Fees/allowances - meeting and conferences	-	-
- Conference and meeting expenses	-	-
Note 4C: Affiliation fees	-	-
Note 4E: Grants or donations		
Grants: Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Donations: Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Total grants or donations	-	-
Note 4K: Other expenses		
- Penalties - via RO Act or RO Regulations	-	-
Note 4H: Legal costs	-	-
Total Expense	1,044,745	915,673

Note 5 Current Assets

	2016 \$	2015 \$
Note 5A: Cash and cash equivalents	2,805	2,805
Note 5B: Trade and other receivables		
- Receivables from other reporting units	-	-
- Less provision for doubtful debts	-	-
Total Current Assets	2,805	2,805

Australian Nursing and Midwifery Federation QNU Branch

Note 6 Current Liabilities

	2016 \$	2015 \$
Note 7A: Trade payables		
- Payables to other reporting unit	-	-
Note 7B: Other payables		
- Consideration to employers for payroll deductions	-	-
- Legal costs	-	-
	-	-

Note 7 Accumulated Funds

	2016 \$	2015 \$
Note 10A: Funds		
Accumulated funds at the beginning of the year	2,805	2,805
Net profit/(loss) attributable to members of the Branch	-	-
Accumulated funds at the end of the year	2,805	2,805
Note 7B: Other Specific disclosures - Funds	-	-

Note 8 Provisions

	2016 \$	2015 \$
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Note 8A: Employee Provisions

- -

Australian Nursing and Midwifery Federation QNU Branch

Note 9 Cash Flow

	2016	2015
	\$	\$
Note 9A: Cash Flow Reconciliation		
Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement:		
Cash and cash equivalents as per:		
Cash flow statement	2,805	2,805
Balance Sheet	2,805	2,805
<i>Difference</i>	-	-
Reconciliation of profit/(deficit) to net cash from operating activities:		
Profit/(deficit) for the year	-	-
Adjustments for non-cash items:		
– Depreciation	-	-
Changes in assets/liabilities:		
– (Increase)/decrease in receivables	-	-
– Increase/(decrease) in payables	-	-
Net cash from (used by) operating activities	-	-
Note 9B: Cash flow information	-	-

Australian Nursing and Midwifery Federation QNU Branch

Note 10 Related Party Disclosures

Transactions with related and associated parties are on normal commercial terms and conditions, no more favourable than those available to other parties unless otherwise stated.

	2016 \$	2015 \$
Revenue received from Queensland Nurses Union of Employees	1,044,745	915,673
Expenses paid to ANMF	1,044,745	915,673
Amounts owed by	-	-
Amount owed to	-	-

Note 11 Remuneration of Auditors

Audit Fees are paid by the Queensland Nurses Union on behalf of the Australian Nursing and Midwifery Federation QNU Branch.

Note 12 Financial Risk Management

The Branch's does not have any financial instruments.

Note 13: Section 272 Fair Work (Registered Organisations) Act 2009

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

Information to be provided to members:

- (1) A member of a Branch, may apply to the Branch for specified prescribed information in relation to the Branch to be made available to the person making the application.

- (2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the Branch.
- (3) The Branch must comply with an application made under subsection (1).



15 July 2016

Ms Elizabeth Mohle
QLD Branch Secretary
Australian Nursing and Midwifery Federation-QNU Branch
By email: gnu@qnu.org.au

Dear Ms Mohle,

**Re: Lodgement of Financial Report - [FR2016/316]
Fair Work (Registered Organisations) Act 2009 (the RO Act)**

The financial year of the Australian Nursing and Midwifery Federation-QNU Branch (the reporting unit) ended on 30 June 2016.

This is a courtesy letter to remind you of the obligation to prepare and lodge the financial report for the reporting unit by the due date under s.268 of the RO Act, that being within 14 days after the meeting referred to in s.266 of the RO Act.

Timelines

The RO Act sets out a particular chronological order in which financial documents and statements must be prepared, audited, provided to members and presented to a meeting. For your assistance, the attached *Timeline/Planner* summarises these requirements.

Fact sheets, guidance notes and model statements

Fact sheets and guidance notes in relation to financial reporting under the RO Act are provided on the Fair Work Commission website. This includes a model set of financial statements which have been developed by the FWC. It is not obligatory to use this model but it is a useful resource to ensure compliance with the RO Act, the Reporting Guidelines and the Australian Accounting Standards. The model statement, Reporting Guidelines and other resources can be accessed through our website under [Financial Reporting](#) in the Compliance and Governance section.

Loans, grants and donations: our focus this year

Also you are reminded of the obligation to prepare and lodge a statement showing the relevant particulars in relation to each loan, grant or donation of an amount exceeding \$1,000 for the reporting unit during its financial year. Section 237 requires this statement to be lodged with the FWC within 90 days of the end of the reporting unit's financial year, that is on or before 28 September 2016. A sample statement of loans, grants or donations is available at [sample documents](#).

Over the past year we have noted issues in organisations' financial reports relating to timelines and how loans, grants and donations are reported. We will be focusing closely on these areas this year. Please find attached below fact sheets relating to these requirements or alternatively visit our website for information regarding [financial reporting timelines](#) and [loans, grants and donations](#).

It is requested that the financial report and any Statement of Loans, Grant or Donations be lodged electronically by emailing orgs@fwc.gov.au.

11 Exhibition Street
Melbourne VIC 3000
GPO Box 1994
Melbourne VIC 3001

Telephone : (03) 8661 7777
Email : orgs@fwc.gov.au
Internet : www.fwc.gov.au

Civil penalties may apply

It should be noted that s.268 is a civil penalty provision. Failure to lodge a financial report may result in legal proceedings being issued with the possibility of a pecuniary penalty (up to \$54,000 for a body corporate and \$10,800 for an individual per contravention) being imposed upon your organisation and/or an officer whose conduct led to the contravention.

Contact

Should you wish to seek any clarification in relation to the above, email orgs@fwc.gov.au.

Yours sincerely,

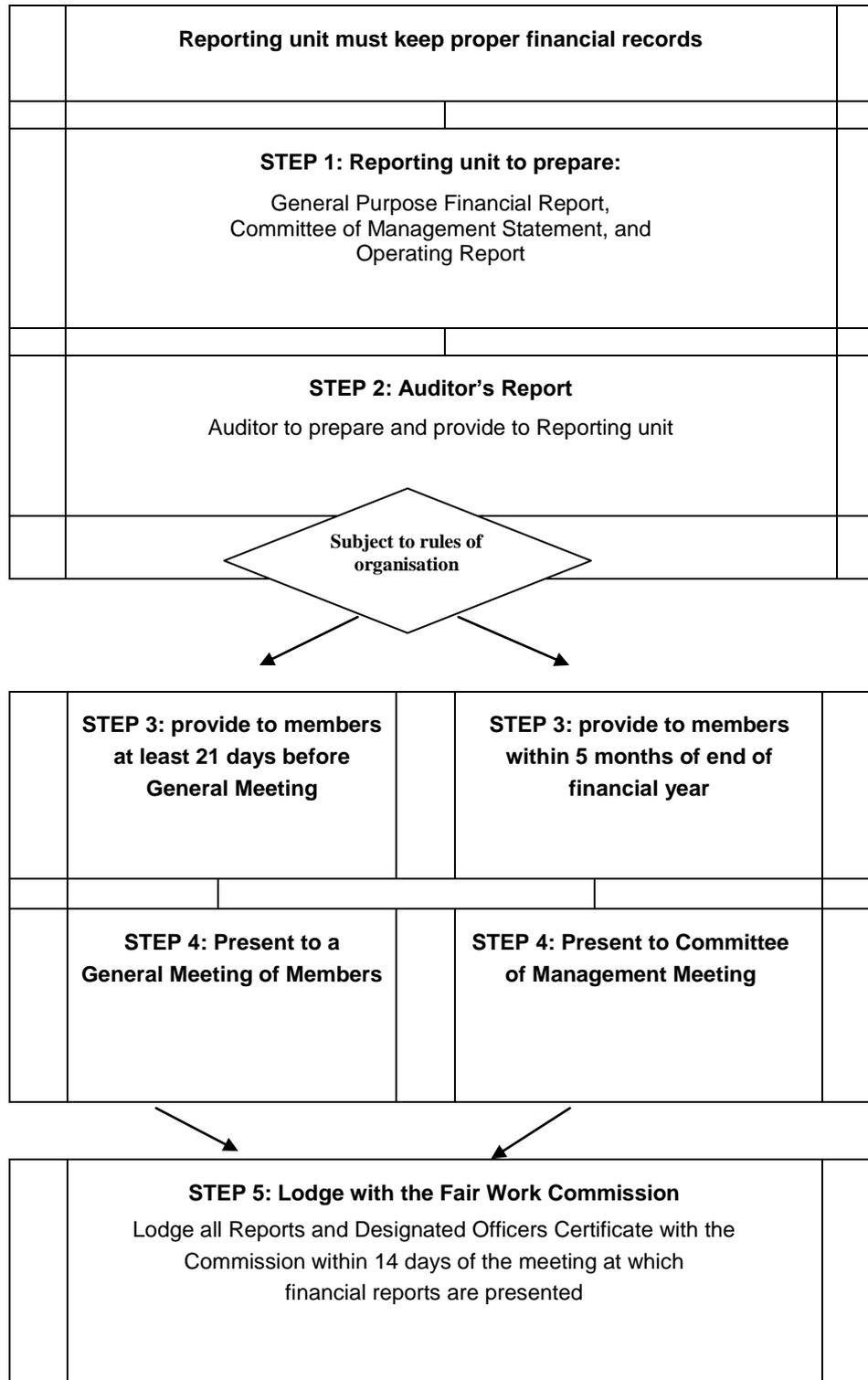


Anastasia Kyriakidis
Adviser
Regulatory Compliance Branch

Financial reporting timelines

Financial reports are to be lodged with the Fair Work Commission (the Commission) within 14 days of the meeting at which the financial reports have been presented, by completing the steps as outlined below.

See Fact sheet—Financial reporting for an explanation of each of these steps.



Fact Sheet - Loans, Grants & Donations

The Loans, Grants & Donations Requirements

The *Fair Work (Registered Organisations) Act 2009* (the RO Act) requires an organisation or branch to lodge a loans, grants and donations statement (the statement) within **90 days** of the ending of the financial year.

Under the General Manager's Reporting Guidelines, a reporting unit's General Purpose Financial Report (the financial report) must break down the amounts of grants and donations (see below). The figures in the financial report will be compared to the loans, grants and donations statement.

The Loans, Grants & Donations Statement

Section 237 of the RO Act applies to every loan, grant and donation made by an organisation or branch during the financial year that exceed \$1000. The following information must be supplied to the Commission for each relevant loan, grant or donation:

the amount,

the purpose,

the security (if it is a loan),

the name and address of the person to whom it was made,* and

the arrangements for repaying the loan.*

*The last two items are not required if the loan, grant or donation was made to relieve a member of the organisation (or their dependent) from severe financial hardship.

The statement must be lodged within 90 days of the end of the financial year and the Commission has a [Template Loans, Grants and Donations Statement](#) on its website. The Commission encourages branches and organisations to lodge the statement even if all of the figures are NIL.

Common misconceptions

Over the years, staff of the Commission have noted that there are some common misunderstandings made in relation to the Statement. They include:

Misconception	Requirement
 Only reporting units must lodge the Statement.	 All branches and organisations, regardless of whether they lodge a financial report, must lodge the statement within 90 days of the end of the financial year. An organisation cannot lodge a single statement to cover all of its branches.
 Employees can sign the Statement.	 The statement must be signed by an elected officer of the relevant branch.
 Statements can be lodged with the financial report.	 The deadline for the statement is much shorter (90 days) and if it is lodged with the financial report it is likely to be late.

Grants & Donations within the Financial Report

Item 16(e) of the [General Manager's Reporting Guidelines](#) requires the reporting unit to separate the line items relating to grants and donations into grants or donations that were \$1000 or less and those that exceeded \$1000.

As such, the note in the financial report relating to grants and donations will have four lines.

In the [Commission's Model Statements](#) the note appears as follows:

Note 4E: Grants or donations*

Grants:	2016	2015
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Donations:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Total grants or donations	-	-

Item 17 of the General Manager's Reporting Guidelines requires that these line items appear in the financial report even if the figures are NIL.

Implications for filing the Financial Report

During their review of the 2016 financial report staff of the Commission will confirm that the figures in the financial report match the disclosures made in the statement. Any inconsistencies in these figures will be raised with the organisation or branch for explanation and action.

This may involve lodging an amended loans, grants or donations statement. Any failure to lodge a loans, grants or donations statement or lodging a statement that is false or misleading can attract civil penalties under the RO Act.

If a reporting unit did not fully comply with these requirements in their 2015 financial report, its filing letter will have included a statement reminding the reporting unit of its obligations.

It is strongly recommended that all reporting units review their filing letters from the previous financial year to ensure any targeted concerns are addressed in their latest financial report. Failure to address these individual concerns may mean that a financial report cannot be filed.

Previous financial reports and filing letters are available from the [Commission's website](#).

Further information

If you have any further questions relating to the loan, grant and donation disclosure requirements in the statement or the financial report, please contact the Regulatory Compliance Branch on orgs@fwc.gov.au