



12 January 2023

Melissa Donnelly  
Joint National Secretary  
CPSU, the Community and Public Sector Union-PSU Group

Sent via email: [melissa.donnelly@cpsu.org.au](mailto:melissa.donnelly@cpsu.org.au)  
CC: [vincent.poon@hayesknight.com.au](mailto:vincent.poon@hayesknight.com.au)

Dear Melissa Donnelly,

**CPSU, the Community and Public Sector Union-PSU Group  
Financial Report for the year ended 30 June 2022 – (FR2022/85)**

I acknowledge receipt of the financial report for the year ended 30 June 2022 for the CPSU, the Community and Public Sector Union-PSU Group. The documents were lodged with the Registered Organisations Commission (the ROC) on 12 December 2022.

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 next year's financial report may be subject to an advanced compliance review.

**Reporting Requirements**

The ROC website provides a number of factsheets in relation to the financial reporting process and associated timelines. The website also contains the s.253 reporting guidelines and a model set of financial statements.

The ROC recommends that reporting units use these model financial statements to assist in complying with the RO Act, the s.253 reporting guidelines and Australian Accounting Standards. Access to this information is available via [this link](#).

If you have any queries regarding this letter, please contact me on (03) 9603 0988 or by email at [Madeleine.Hurrell@roc.gov.au](mailto:Madeleine.Hurrell@roc.gov.au).

Yours sincerely

**Madeleine Hurrell  
Financial Reporting Officer  
Registered Organisations Commission**

**The Community and Public Sector Union PSU Group**

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

## Certificate by prescribed designated officer

Certificate for the year ended 30 June 2022

I, Melissa Donnelly, being the National Secretary of the Community and Public Sector Union PSU Group certify:

- that the documents lodged herewith are copies of the full report for the CPSU PSU Group for the period ended 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 30 November 2022; and
- that the full report was presented to the committee of management of the reporting unit on 1 December 2022 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer:



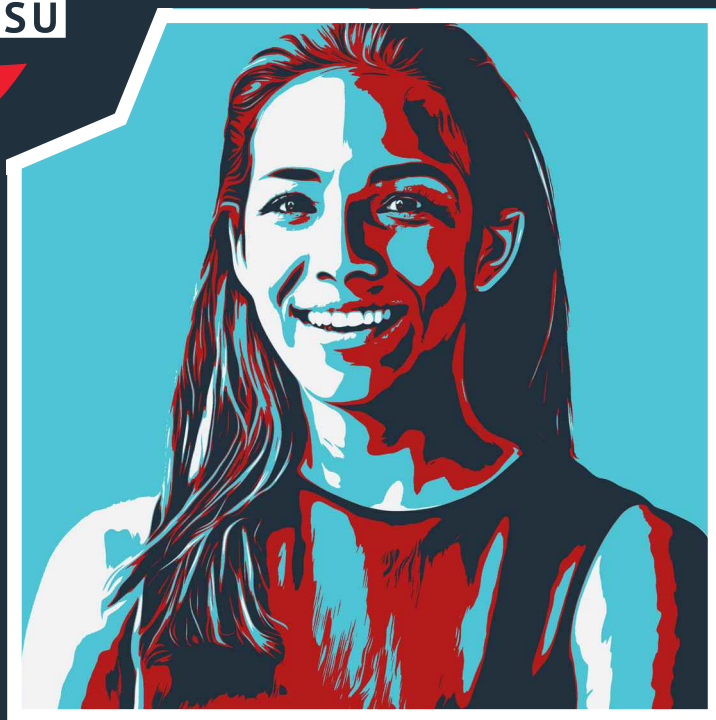
Name of prescribed designated officer: Melissa Donnelly

Title of prescribed designated officer: National Secretary

Dated: 09/12/2022

# OPERATING REPORT 2021–22

## COMMUNITY AND PUBLIC SECTOR UNION





# CONTENTS

<b>REVIEW OF PRINCIPAL ACTIVITIES.....</b>	<b>1</b>
<b>ULURU STATEMENT FROM THE HEART .....</b>	<b>1</b>
<b>COMMONWEALTH BARGAINING.....</b>	<b>2</b>
<b>PROUD TO BE PUBLIC: SECURE APS JOBS.....</b>	<b>3</b>
<b>WORKING FROM HOME .....</b>	<b>4</b>
<b>OTHER INDUSTRIAL ISSUES .....</b>	<b>4</b>
Supporting and celebrating diversity .....	5
Climate change is union business .....	5
ACT Public Service bargaining .....	5
NT Public Service bargaining .....	5
Delivering for members.....	6
<b>GOVERNANCE AND FINANCIAL MATTERS.....</b>	<b>7</b>
Number of staff and members .....	7
Financial result .....	7
Governance.....	9
Where your dollar goes .....	9
Committee of Management.....	9
<b>REMUNERATION AND DISCLOSURES .....</b>	<b>10</b>
Relevant remuneration of CPSU officials .....	10
Superannuation trustees .....	10
Right of members to resign.....	10
<b>ATTACHMENT A –REMUNERATION BREAKDOWN.....</b>	<b>11</b>
PSU Group and NOC Officers Disclosures Financial Year Ending 30/6/2022 .....	11
<b>ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022 .....</b>	<b>12</b>



# Review of principal activities



Members of the Community and Public Sector Union have come through what has again been a difficult year for many. In the face of natural disasters and the ongoing COVID-19 pandemic, by working together in community and solidarity, we have protected and advanced the interests of our members, kept each other safe and continued the critical work that CPSU members do in our country.

Our members must be at the centre of discussions about their workplaces and the issues that matter to their everyday working lives.

As a result of our campaigning efforts and the amazing work of our delegates, the union is in a stronger position to deliver for our members.

With the change of Government at the 2022 Federal election there has been a range of positive changes for public sector workers. This includes reforming Australian Public Service bargaining, increasing public sector jobs, starting to address insecure work in the public sector, restoring consultation and delegates' rights and fixing the industrial relations laws.

1

## ULURU STATEMENT FROM THE HEART

The CPSU is committed to work for the full implementation of the Uluru Statement of the Heart. In respect of the Voice referendum we know that our First Nations members, and members who work in agencies such as the National Indigenous Australians Agency, will have a vital role to play as we move ahead.

Our Aboriginal and Torres Strait Islander members will continue to lead our discussions on this important reform and the journey for reconciliation.



Artist: Leeanne Enoch



## COMMONWEALTH BARGAINING

As a result of CPSU campaigning prior to the May 2022 Federal election, the new Government has committed to restore genuine bargaining for employees across the APS with negotiations to commence in early 2023.

This approach will give APS employees the opportunity to win genuine improvements in wages and conditions, with the Government abolishing the previous Coalition Government's "no-enhancements" rule and wage cap tied to the wage price index, that subjected employees to unknown, changeable pay outcomes as low as 1.7%.

The CPSU is campaigning for APS bargaining to start without delay in 2023. We have commenced comprehensive consultation with members, conducting a survey on members' priorities for conditions improvements in February 2022. More recently, in September 2022 we commenced a detailed pay survey, followed by paid-time meetings for more detailed discussions to inform the union's bargaining claim.

With pressure around cost of living, members are very clear that the current pay rises in the APS are not sufficient to meet our expectations.

As we look ahead to APS-wide bargaining, members and our efforts will be focused on securing pay rises that reflect cost of living increases and the pressures members face, establishing clear working from home and flexibility rights in agreements and restoring key conditions and rights.





## PROUD TO BE PUBLIC: SECURE APS JOBS

Under the Coalition Government, the Average Staffing Level (ASL) cap meant APS agencies became heavily reliant on labour hire arrangements, casualisation, consultancies and arrangements which cost more and undermined APS capability and service delivery.

Campaigning by CPSU members led to vital commitments from the incoming Labor Government, including:

- abolishing the Average Staffing Level cap,
- increasing permanent APS jobs with an immediate investment of 500 jobs in the Department of Veterans' Affairs (DVA), 380 jobs in the National Disability Insurance Agency (NDIA) and 200 jobs in Services Australia,
- auditing APS employment to identify where temporary forms of work are being used inappropriately and convert labour hire, casual or contract roles, and
- ending the reliance on consultants and contractors and reinvesting in permanent APS jobs and capability.

Campaigning for secure public sector jobs and better support for public services was critical to our campaigning efforts in the 2022 Federal Election.

CPSU members will now organise and campaign to ensure their swift implementation of the Government's commitments. More recently, the October budget which delivered an increase in 7,500 APS jobs is a very good start to rebuilding the capacity of the APS.

In addition to advocating for new jobs, the CPSU has been working hard to create secure job opportunities for employees in insecure work. In February 2022 the CPSU won its casual conversion case against Services Australia in the Fair Work Commission. The decision has seen the Australian Public Service Commission issue new advice to agencies and requires APS agencies to guarantee pathways to permanency for casual employees.







## WORKING FROM HOME

Working from home (WFH) arrangements remain a high priority for CPSU members, and we have continued to campaign for improvements to working from home arrangements across all membership areas. We conducted a far-reaching survey with ATO employees on the ATO WFH pilot policy, secured improved policies in agencies such as Services Australia and the Department of Agriculture, Water and the Environment; and produced detailed scorecards so that members have a clear picture of their agency's approach and what needs to be improved. Securing further improvements and clearer rights will be a priority for 2023 bargaining.

For the second time we partnered with researchers from Central Queensland University and the University of New South Wales, on a research project to investigate how improved arrangements are being accessed in the workplace. In February 2022, we produced our own analysis of the outcomes of this research, which demonstrated overwhelming support for working from home and made several recommendations that we will be pursuing via Commonwealth bargaining.

## OTHER INDUSTRIAL ISSUES

Important workplace rights have been restored across the public sector. This includes consultation rights in all Commonwealth workplaces with the release of *Circular 2022/08: Genuine and effective employee and union consultation in Commonwealth agencies*, which requires agencies to once again consult employees and unions on decisions before they are made. The right of employees to be active in their union and support for delegates to perform their important role in the workplace, have also been secured with the release of *Circular 2022/09: Union representation in Commonwealth agencies*.

Workplace Health and Safety continues to be an area of focus for the CPSU, including support for Health and Safety Representatives performing their roles, a growing focus on safe workloads, safe staffing levels, and psychological safety in the workplace, and ongoing work to ensure to minimise transmission of COVID-19 in workplaces.

Respect@Work reforms remain high on our agenda, with the union contributing to parliamentary reviews on the Respect@Work legislation. In addition, the implementation of the *Set the Standard: Report on the Independent Review into Commonwealth Parliamentary Workplaces* that includes the Members of Parliamentary Staff Act Review, and the development of a Code of Conduct for parliamentary workplaces, is also a key focus.







## SUPPORTING AND CELEBRATING DIVERSITY

The CPSU is committed to diversity and inclusion in all its forms in our membership, delegate and representative structures. CPSU members reflect all of the diversity of our community, and the CPSU supports and celebrates this diversity.

This year we launched the CPSU Queer Caucus – a forum led by and for members of the CPSU who are actively engaged in addressing the issues facing LGBTQIA+ workers. The Queer Caucus will ensure that the CPSU leads on anti-discrimination and equal opportunity policies.

The CPSU Culturally and Linguistically Diverse (CALD) Network continues to meet to facilitate avenues for members of CALD backgrounds to play a more active representative role in shaping our advocacy and improving CALD representation in our union.

Work is also underway to establish a Disability Network led by and for union members with disability.

The critical work of our National Aboriginal and Torres Strait Islander Caucus has been outlined earlier in this report.

## CLIMATE CHANGE IS UNION BUSINESS

The CPSU's active and committed Climate Action Network, this year developed a comprehensive Net Zero APS policy that commits the Federal Government to setting the standard for best practice, with a commitment to net zero emissions in the APS and Commonwealth public sector workplaces. The Government has adopted the policy developed by the Network, and members will now work toward ensuring a timely implementation.

## ACT PUBLIC SERVICE BARGAINING

In late 2021, acknowledging the impact of the COVID-19 pandemic upon bargaining, ACT Government and unions agreed to proceed to staff ballots for short term agreements with a common Nominal Expiry Date of 31 October 2022, with some conditions improvements, to ensure that employees received timely pay increases. Following overwhelmingly affirmative staff votes, bargaining was recommenced in February and March 2022. More recently CPSU members in the ACT began a campaign to keep the pressure on the ACT Chief Minister to deliver on his undertaking for ACT Public Servants to be offered a pay increase that would at least match CPI.

## NT PUBLIC SERVICE BARGAINING

The Northern Territory Public Service General Enterprise Agreement was approved by the Fair Work Commission in late January 2022. The CPSU opposed the agreement because it only provided one-off cash payments instead of base pay increases. Since approval of the Agreement, CPSU members have been campaigning for a change to the wages policy where any favourable change would also be passed on to those under the already approved General and Jacana Agreements. Their hard work over the course of 2022 has now resulted in the Territory Government releasing a new policy that provides for base pay increases of 2% per annum or \$2,000 (whichever is higher), plus 2% per annum increases to allowances.





## PRIVATE SECTOR

In a difficult industrial and political environment, the CPSU advanced the interests of our private sector members to the greatest possible extent. Despite Telstra moving to establish four Enterprise Agreements (over objections from all unions involved), we secured pay outcomes of 2.5% payable in October 2022, and another 3% in October 2023. We also protected key entitlements such as weekend overtime.

As at June 2022, one of the four Telstra EAs has been approved and the other three are before the Fair Work Commission.

In Australia Post, CPSU members prioritised pay in bargaining negotiations, and in 2021 secured a 3% per annum pay outcome, despite Australia Post's unsuccessful argument that they were confined by the Coalition Government's bargaining policy. As cost-of-living pressures mounted as a key issue for CPSU members in Australia Post, the union advocated for members outside of the bargaining process, with Australia Post agreeing that to pass on any June quarter CPI increase in excess of 3% in addition to the annual pay rise in September.

## DELIVERING FOR MEMBERS

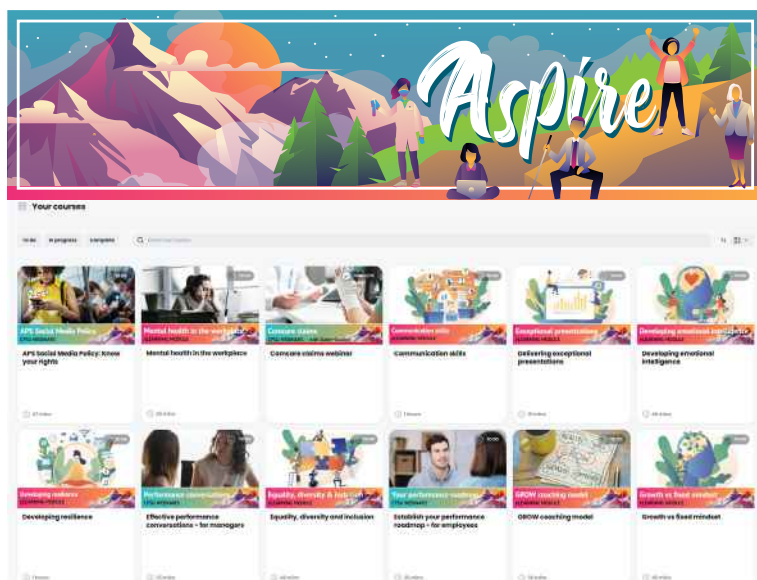
The CPSU continues our commitment to supporting members with workplace issues. In 2021–2022 the Member Service Centre supported members through 4,301 industrial matters and provided advice and support to 352 workplace delegates. Assistance was also provided to 83 Health and Safety Representatives in addressing workplace safety issues.

In 2021–22 we saw the trend towards a greater proportion of members requesting assistance with matters relating to access to leave for remote learning, working from home rights and other matters related to the pandemic continue.

In 2021–2022, 246 delegates attended training courses and forums, including 65 delegates who began their delegate training journey by completing the Delegate Foundations course.

Monthly delegate forums continued to prove popular with delegates from across the union meeting online to share their expertise and advice on topics such as communicating with members, and asking people to join the union.

May 2022 saw the launch of Aspire, an online learning and professional development platform for CPSU members. Aspire offers self-paced online courses and webinars in a range of professional development areas as well as recordings of many of our most popular webinars to guide members through topics such as superannuation and securing permanent employment in the APS. Aspire helps CPSU members feel supported and engaged in their careers, and provides an additional value from their membership.



# Governance and financial matters



## NUMBER OF STAFF AND MEMBERS

The CPSU had 40,654 members and employed 190 staff (172.9 Full Time Equivalent) as at 30 June 2022. This figure includes members of the CSIRO Staff Association, which had 1,969 members at 30 June 2022.

## FINANCIAL RESULT

The financial year ending 30 June 2022 saw the first full year of our Long Term Portfolio Investment and was the transitional period for renting and retaining accommodation at our Thomas Street Haymarket property while we modified and improved our newly acquired property at Foveaux St Surry Hills. These significant investments were achieved through deploying funds from the proceeds of sale from Thomas Street.

Our external audit process for FYE2022 identified a prior year reporting error relating to our Russell Investments Long Term Portfolio, that has been subsequently corrected our FYE2022 General Purpose Financial Report.

The error is of an accounting standard reporting nature and bears no significant change on the Union's equity as reported in FYE2022. The total adjustment to the previously reported equity for FYE2022 is an increase of \$21,287.

In order to comply with AASB 9, we re-stated our reporting of dividends, management fees, and management fee rebates as income and expenses in the statement of comprehensive income rather than comprehensive income as an unrealised gain/loss on investment revaluation. We will continue to report the changes in the value of the Russell Investments portfolio on an unrealised gain/loss in our management accounts to provide more meaningful financial reporting by isolating our investment performance from our operations and site and facilities performance.

Our membership subscription income was less than expected by 2.1% due to a membership decline greater than budgeted. This was mainly offset by savings in operating expenses, meaning our net operating deficit from operations was more than budgeted by \$110K.

We provided COVID-related rent relief throughout the year to our tenants at Foveaux Street, meaning our site and facilities income was less than expected. At the same time, our site and facilities expenses increased as we brought forward depreciation costs for our Melbourne office as part of our downsizing to a smaller office due for completion in December 2022.







We budgeted for a net deficit from operations and facilities of \$3.53M and delivered a deficit of \$4.05M, which given challenging circumstances, is a solid result.

Our long-term portfolio has fluctuated in line with global market conditions affected by the war in Ukraine, inflation, and central bank increases in interest rates. We anticipated varied returns given the long-term nature of the investment and while the immediate returns are not positive, we have improved the financial position of the Union by divesting Thomas St Haymarket and deploying funds in accordance with a more suitable long-term strategic asset allocation.

We budgeted for a return of \$1.83M however due to the global challenges outlined, the combined long-term portfolio delivered a negative return or decrease in value taking into account dividends, management fees and management fee rebates of \$3.05M resulting in our total comprehensive income for the year of negative \$7.03M versus our budgeted total comprehensive income of negative \$1.7M.

Our equity as of 30 June 2022 stood at \$70.3M, with cash reserves of \$4.8M, CPSU's Russell Investments Long term Portfolio of \$37.7M and property, plant and equipment of \$33.7M.

A summary of the management account statement of comprehensive income is provided below.

### Management statement of comprehensive income

July 2021 through June 2022

Membership subscriptions	24,024,454
Other income	440,489
Total operating income	24,464,943

Less: Operating expenses excluding site & facilities	26,016,518
--	------------

= Net operating deficit excluding site & facilities	(1,551,575)
---	-------------

Plus: Site & facilities rental income	635,206
---------------------------------------	---------

Less: Site & Facilities expenses	3,137,160
----------------------------------	-----------

= Net deficit from operations & facilities	(4,053,529)
--	-------------

#### Portfolio investment

Distributions	6,752,752
---------------	-----------

Management fees	(222,100)
-----------------	-----------

Revaluation (unrealised loss)	(9,578,747)
-------------------------------	-------------

Plus: Total portfolio investment comprehensive income	(3,048,095)
---	-------------

Plus: Revaluation on land & buildings	74,250
---------------------------------------	--------

= Total comprehensive income for the year	(7,027,374)
---	-------------







## GOVERNANCE

The CPSU has very high standards of governance and accountability and we always maintain and, where possible, improve these standards so that we can uphold our members' confidence in the union.

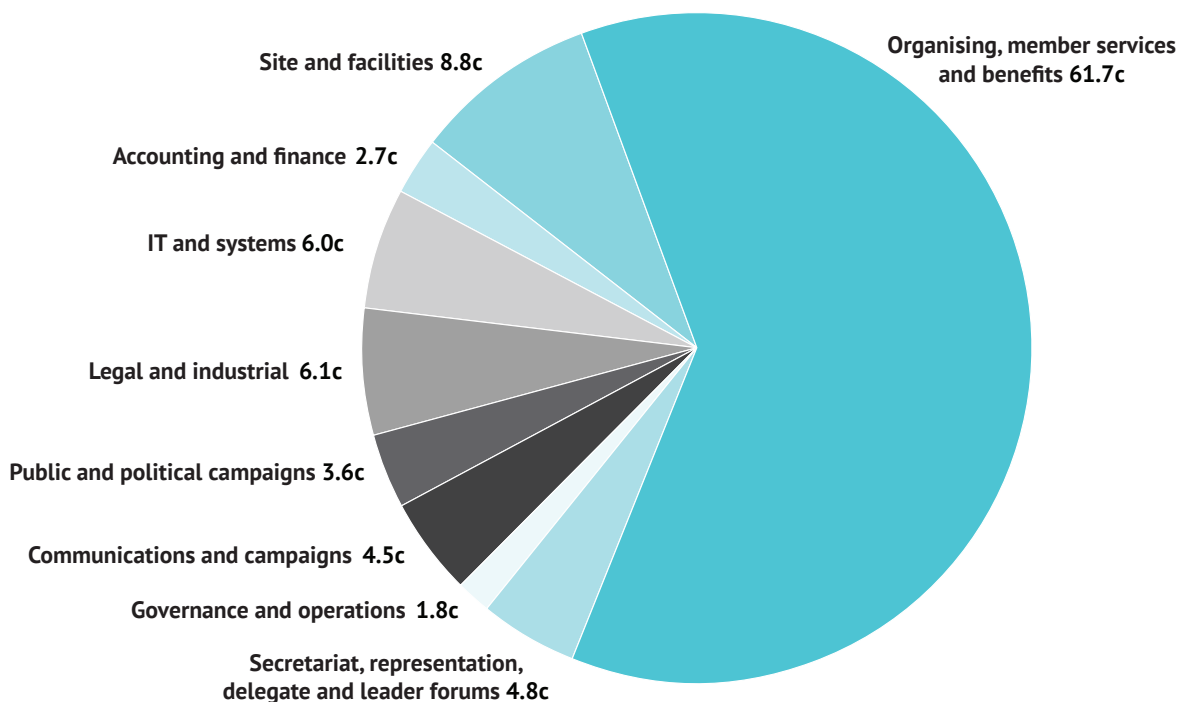
All officials and staff are expected to maintain the utmost integrity and professionalism when representing or acting on behalf of the union. Our delegates, who are volunteers doing their union work alongside their normal jobs, are encouraged to do the same.

The Director of Finance and Director of Governance and Operations continue to ensure adherence to our financial and governance processes.

## COMMITTEE OF MANAGEMENT MEMBERS NAMES AND PERIOD POSITIONS HELD IN THE FINANCIAL YEAR

Name	Position	Dates
Melissa Donnelly	National Secretary	01/07/21 – 30/06/22
Michael Tull	Assistant National Secretary	01/07/21 – 30/06/22
Alistair Waters	National President	01/07/21 – 30/06/22
Beth Vincent-Pietsch	Deputy Secretary	01/07/21 – 30/06/22
Brooke Muscat	Deputy National President	01/07/21 – 30/06/22
Melissa Payne	Deputy National President	01/07/21 – 30/06/22

## WHERE YOUR DOLLAR GOES



# Remuneration and disclosures



## RELEVANT REMUNERATION OF CPSU OFFICIALS

Under section 293J of the *Fair Work (Registered Organisations) Act 2009* the CPSU is required to report on the remuneration of the CPSU's five highest paid officers for the reporting period. We report relevant remuneration information for all CPSU PSU Group elected officials. This information can be found at Attachment A.

Remuneration for elected officials is set by the CPSU Governing Council. Under the CPSU Rules, the Governing Council (comprising elected honorary and the full-time officers of the union) must vote to approve any variation in the CPSU Officials' Salaries and Conditions.

## SUPERANNUATION TRUSTEES

All superannuation fund directors' fees are paid to the CPSU, not to the individuals sitting on those boards, for any paid official or employee of the CPSU.

During the year the following CPSU officials and staff members were: a trustee of a superannuation entity or an exempt public sector superannuation scheme; or a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme.

- Melissa Donnelly, Director of the Commonwealth Superannuation Corporation
- Alistair Waters, Director of the Commonwealth Superannuation Corporation
- Michael Tull, Trustee Director Member Representative of the Australia Post Super Scheme

## RIGHT OF MEMBERS TO RESIGN

As per reporting requirements we also note that members have the right to resign in accordance with s174 of the *Fair Work (Registered Organisation) Act 2009* and in conjunction with CPSU rule 5.3 Resignation of Membership.

This report has been prepared in accordance with the requirements of the *Fair Work (Registered Organisations) Act 2009*.

A handwritten signature in black ink, appearing to read "Melissa Donnelly".

**Melissa Donnelly**  
National Secretary

30 November 2022



# ATTACHMENT A – REMUNERATION BREAKDOWN

## PSU GROUP AND NOC OFFICERS DISCLOSURES FINANCIAL YEAR ENDING 30/6/2022

Officer	Period in Office	Remuneration						Relevant non-cash benefits		Total
		Salary Received Including Leave Taken and Higher Grade Duties Allowance	Allowances*	Fees**	Separation benefit	Leave cashed out	Superannuation~	Total remuneration	Type	Total Relevant non-cash benefits
Melissa Donnelly	01/07/2021 - 30/06/2022	175,093	14,832	-	-	-	38,744	228,668	NIL	-
Michael Tull	01/07/2021 - 30/06/2022	148,950	-	-	-	-	22,938	171,889	Vehicle	12,968
Alistair Waters	01/07/2021 - 30/06/2022	141,937	-	-	-	-	38,064	180,001	NIL	-
Beth Vincent-Pietch	01/07/2021 - 30/06/2022	134,417	-	-	-	-	20,700	155,117	NIL	-
Brooke Muscat	01/07/2021 - 30/06/2022	134,417	-	-	-	-	20,700	155,117	NIL	-
Melissa Payne	01/07/2021 - 30/06/2022	134,417	-	-	-	15,514	27,330	177,262	NIL	-
Sinddy Ealy	01/07/2021 - 30/06/2022	125,647	-	-	-	-	18,777	144,423	NIL	-
<b>Total</b>		<b>994,878</b>	<b>14,832</b>	<b>-</b>	<b>31,237</b>	<b>15,514</b>	<b>187,254</b>	<b>1,212,478</b>	<b>-</b>	<b>12,968</b>
										<b>1,225,445</b>

### CSIRO Section Disclosure

Susan Tonks	01/07/2021 - 30/06/2022	125,647	-	-	-	-	18,901	144,548	NIL	-
										144,548

\* Car allowance provided in place of a vehicle non-cash benefit

\*\* Fees. All fees received as a result of an official sitting on a board are paid directly to the CPSU PSU Group and not to the individual.

~ Where compulsory superannuation on board sitting fees apply these are paid to the individuals superannuation account and included in Superannuation amounts shown.

Officer	Position	Annual Salary (full time rate)
Melissa Donnelly	National Secretary	175,123
Michael Tull	Assistant National Secretary	147,392
Alistair Waters	National President	140,924
Melissa Payne	Deputy National President	134,455
Brooke Muscat	Deputy National President	134,455
Beth Vincent-Pietch	Deputy Secretary	134,455
Sinddy Ealy	Section Secretary	125,682
Susan Tonks	Section Secretary	125,682

# **CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP**

**Annual Financial Report For The Year Ended  
30 June 2022**



**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP**  
**30 June 2022**

<b>CONTENTS</b>	<b>Page</b>
Independent Audit Report	1
Report Required Under Subsection 255(2A)	4
Committee of Management Statement	5
Statement of Comprehensive Income	6
Statement of Financial Position	7
Statement of Changes in Equity	8
Statement of Cash Flows	9
Notes to the Financial Statements	10
Officers Declaration Statement	38



**INDEPENDENT AUDIT REPORT  
TO THE MEMBERS OF  
CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP**

**Report on the Audit of the Financial Report**

**Opinion**

I have audited the accompanying financial report of CPSU, The Community and Public Sector Union, PSU Group ("the Union"), which comprises the Statement of Financial Position at 30 June 2022, Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows, notes to the financial statements including a summary of significant accounting policies, the Committee of Management Statement, the subsection 255(2A) report and the officer declaration statement.

In my opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Union as at 30 June 2022, and its financial performance and its cash flows for the year ended on that date in accordance with:

- a) the Australian Accounting Standards; and
- b) any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 (the RO Act).

I declare that the Executive Committee of the Union's use of the going concern basis in the preparation of the financial statements of the Union is appropriate.

**Basis of Opinion**

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of my report. I am independent of the Union in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

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

**Information Other than Financial Report and Auditor's Report Thereon**

The committee of management is responsible for the other information. The other information obtained at the date of this auditor's report is in the operating report accompanying the financial report.

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

In connection with my audit of financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

### **Responsibilities of Committee of Management for the Financial Report**

The committee of management of the reporting unit is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the RO Act, and for such internal control as the committee of management determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the committee of management is responsible for assessing the reporting unit's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the committee of management either intend to liquidate the reporting unit or to cease operations, or have no realistic alternative but to do so.

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

My objective is to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Union's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the executive committee.
- Conclude on the appropriateness of the executive committee use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Union's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Union to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Union to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the Union audit. I remain solely responsible for my audit opinion.

I communicate with the committee of management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I declare that I am an auditor registered under the RO Act.

#### **Report on Other Legal and Regulatory Requirements**

In accordance with the requirements of section 257(7) of the RO Act, I am required to describe any deficiency, failure or shortcoming in respect of the matters referred to in section 252 and 257(2) of the RO Act.

In my opinion, no such matters were noted.



---

Vincent Poon - Director Audit Services  
Registered Company Auditor - Registration Number AA2018/23

Dated at Sydney, this 21st day of October 2022

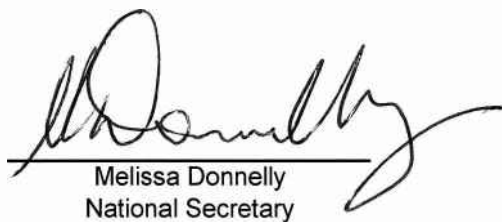


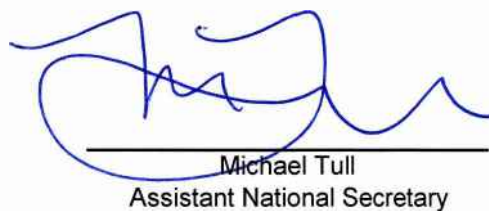
**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP**  
**REPORT REQUIRED UNDER SUBSECTION 255(2A)**  
**FOR THE YEAR ENDED 30 JUNE 2022**

The Committee of Management presents the expenditure report as required under subsection 255(2A) on the Union for the year ended 30 June 2022.

<b>Categories of expenditures</b>	<b>2022</b> <b>\$</b>	<b>2021</b> <b>\$</b>
Remuneration and other employment-related costs and expenses - employees (a)	<b>20,673,487</b>	20,552,084
Advertising	<b>32,929</b>	38,047
Operating costs	<b>6,400,438</b>	5,952,952
Donations to political parties	<b>627,219</b>	46,096
Legal costs	<b>25,076</b>	46,067

(a) Salary costs associated with donations to political parties have been reported under donations to political parties rather than being reported as remuneration.

  
 \_\_\_\_\_  
 Melissa Donnelly  
 National Secretary

  
 \_\_\_\_\_  
 Michael Tull  
 Assistant National Secretary

Dated at Sydney, this 20<sup>th</sup> day of October 2022


**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP  
COMMITTEE OF MANAGEMENT STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2022**

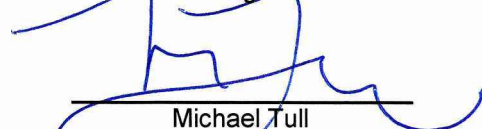
On 20/10/2022 the Committee of Management (Executive Committee) of the CPSU PSU Group passed the following resolution in relation to the general purpose financial report of the reporting unit for the financial year ended 30 June 2022:

The Committee of Management declares that in its opinion:

- a) the financial statements and notes comply with Australian Accounting Standards;
- b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 (the RO Act);
- c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- e) Where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a manner consistent with each of the other reporting units of the organisation; and
- f) during the financial year to which the general purpose financial report 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; and
  - ii. the financial affairs of the reporting unit 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 reporting unit have been kept and maintained in accordance with the RO Act; and
  - iv. where information has been sought in any request by a member of the reporting unit or Commissioner duly made under section 272 of the RO Act has been provided to the member or Commissioner; and
  - v. 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.

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

  
Melissa Donnelly  
National Secretary

  
Michael Tull  
Assistant National Secretary

Dated at Sydney, this 20<sup>th</sup> day of October 2022

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2022**

	Note	2022 \$	Restated 2021 \$
<b>Revenue from contracts with customers</b>	<b>3</b>		
Membership subscriptions		24,024,454	24,869,999
Capitation fee and other revenue from another reporting unit	3A	90,347	89,794
Compulsory levies	3B	-	-
Revenue from recovery of wages activities		-	-
<b>Total revenue from contracts with customers</b>		<b>24,114,801</b>	<b>24,959,793</b>
<b>Income for furthering objectives</b>	<b>3</b>		
Grants and / or donations	3F	-	70
Income recognised from volunteer services		-	-
		-	70
<b>Other Income</b>			
Interest received	3C	20,558	108,377
Rental revenue	3D	635,206	1,953,386
Other income	3E	7,217,683	3,041,583
<b>Total other income</b>		<b>7,873,447</b>	<b>5,103,346</b>
<b>Total income</b>		<b>31,988,248</b>	<b>30,063,209</b>
<b>Expenses</b>			
Employee expenses	4A	(21,172,241)	(20,608,924)
Capitation fees and other expense to another reporting unit	4B	-	-
Administration expenses	4C	(5,666,525)	(5,161,669)
Affiliation fees	4D	(684,654)	(731,635)
Grants or donations	4E	(150,030)	(69,072)
Depreciation and amortisation	4F	(1,751,693)	(1,567,370)
Audit fees	4G	(60,905)	(68,205)
Legal costs	4H	(25,076)	(46,067)
Impairment loss on assets	4I	-	-
Other expenses from ordinary activities	4J	-	-
<b>Total expenses</b>		<b>(29,511,124)</b>	<b>(28,252,942)</b>
<b>Net surplus for the year</b>		<b>2,477,124</b>	<b>1,810,267</b>
<b>Other comprehensive income</b>			
Items that will not be subsequently reclassified to profit or loss:			
- Unrealised loss in investment		(9,578,747)	(1,832,724)
- Revaluation increment on land & buildings		74,250	18,444,521
<b>Total comprehensive income for the year</b>		<b>(7,027,373)</b>	<b>18,422,064</b>

The accompanying notes form part of these financial statements.

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2022**

			Restated
	Note	2022	2021
		\$	\$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	5	4,807,847	11,409,361
Trade and other receivables	6	287,527	294,602
Other current assets	7	593,921	514,029
<b>Total current assets</b>		<u>5,689,295</u>	<u>12,217,992</u>
<b>Non-current assets</b>			
Financial assets	8	37,887,134	40,964,536
Property, plant and equipment	9	33,664,434	31,247,463
Right of use assets	10A	1,654,290	1,630,524
<b>Total non-current assets</b>		<u>73,205,858</u>	<u>73,842,523</u>
<b>Total assets</b>		<u><u>78,895,153</u></u>	<u><u>86,060,515</u></u>
<b>Current liabilities</b>			
Trade payables	11	972,778	1,454,315
Other payables	12	456,441	457,511
Lease Liabilities	10B	729,593	915,429
Provisions - employee benefits	14	4,904,053	4,549,776
Other provisions - make good		216,900	-
<b>Total current liabilities</b>		<u>7,279,765</u>	<u>7,377,031</u>
<b>Non-current liabilities</b>			
Lease Liabilities	10B	1,137,358	1,011,707
Other Liabilities	13	28,251	160,778
Provisions - employee benefits	14	170,935	204,782
<b>Total non-current liabilities</b>		<u>1,336,544</u>	<u>1,377,267</u>
<b>Total liabilities</b>		<u>8,616,309</u>	<u>8,754,298</u>
<b>Net assets</b>		<u><u>70,278,844</u></u>	<u><u>77,306,217</u></u>
<b>Equity</b>			
General fund balance	16A	11,170,221	8,678,249
Reserves	16B	59,108,623	68,627,968
<b>Total equity</b>		<u><u>70,278,844</u></u>	<u><u>77,306,217</u></u>

The accompanying notes form part of these financial statements.



**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2022**

	Capital Profits and Asset Revaluation Reserve	Death and Benevolent Fund	Campaign Fund	General Fund	Total
	\$	\$	\$	\$	\$
<b>Balance at 1 July 2020</b>	51,963,661	42,164	14,898	6,867,932	58,888,655
Unrealised gain in investment	824,535	-	-	-	824,535
Asset revaluation increment	18,444,521	-	-	-	18,444,521
Funds utilised		(4,500)	-	-	(4,500)
Net deficit for the year	-	-	-	(868,281)	(868,281)
Funds transferred	-	-	(50)	50	-
<b>Balance at 30 June 2021 as reported</b>	<b>71,232,717</b>	<b>37,664</b>	<b>14,848</b>	<b>5,999,701</b>	<b>77,284,930</b>
Adjustment to 30 June 2021 profit (Note 28)	(2,657,261)	-	-	2,678,548	21,287
<b>Balance as adjusted at 30 June 2021</b>	<b>68,575,456</b>	<b>37,664</b>	<b>14,848</b>	<b>8,678,249</b>	<b>77,306,217</b>
Unrealised loss in investment	(9,578,747)	-	-	-	(9,578,747)
Asset revaluation increment	74,250	-	-	-	74,250
Net surplus for the year	-	-	-	2,477,124	2,477,124
Funds transferred	-	-	(14,848)	14,848	-
<b>Balance at 30 June 2022</b>	<b>59,070,959</b>	<b>37,664</b>	<b>-</b>	<b>11,170,221</b>	<b>70,278,844</b>

The accompanying notes form part of these financial statements.

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

	Note	2022 \$	2021 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from members and others		27,306,383	28,476,785
Receipts from other reporting units/controlled entities	17(b)	1,363,806	1,470,727
Payments to suppliers		(9,264,411)	(7,055,257)
Payments to other reporting units/controlled entities	17(b)	(5,424)	(4,110)
Payments to employees		(20,851,811)	(20,244,144)
Interest received		20,558	108,377
Interest paid on lease liabilities		(77,040)	(104,855)
Lease payments not included in the measurement of lease liabilities		(1,128,544)	(569,767)
<b>Net cash (used in)/provided by operating activities</b>	<b>17(a)</b>	<b>(2,636,483)</b>	<b>2,077,756</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payment for property, plant and equipment		(2,986,917)	(31,333,065)
Payment - holding deposit on proposed sale of property		-	(16,016,000)
Proceeds from property, plant and equipment		-	75,000,000
Purchase of investments		-	(40,000,000)
<b>Net cash used in investing activities</b>		<b>(2,986,917)</b>	<b>(12,349,065)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Payment for lease liabilities		(978,114)	(1,335,920)
<b>Net cash used in financing activities</b>		<b>(978,114)</b>	<b>(1,335,920)</b>
<b>Net decrease in cash held</b>		<b>(6,601,514)</b>	<b>(11,607,229)</b>
<b>Cash at beginning of financial year</b>		<b>11,409,361</b>	<b>23,016,590</b>
<b>Cash at end of financial year</b>	<b>5</b>	<b>4,807,847</b>	<b>11,409,361</b>

The accompanying notes form part of these financial statements.

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**Note 1 Statement of significant accounting policies**

**Basis of preparation**

This 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 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 Union is a not-for-profit entity.

The Union has a controlled entity, Shared Advantage Ltd. This subsidiary has not been consolidated as both its revenue and net assets represent less than half a percentage of the total revenue and net assets of the Union. Consolidation will not provide any further useful information than what is currently disclosed in the Union's financial statements.

The financial statements, except for cash flow information, have been prepared using the accrual basis of accounting. The financial statements have been prepared on a historical cost basis, 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.

On 19 June 2001, the Deputy Industrial Registrar approved changes to certain rules pertaining to financial management. Those changes included, amongst others, preparation of a single set of accounts for the PSU group for the year ended 30 June 2002 and beyond. Resulting from the change, all funds, property and liabilities of the Sections, Branches and Professional Division as at 30 June 2001 were transferred to the National Council.

The following is a summary of the material policies adopted in the preparation of the financial statements.

**(a) Going concern**

The Union is not reliant on the agreed financial support of another reporting unit to continue on a going concern basis.

**(b) Comparative amounts**

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

**(c) Significant management judgement in applying accounting policies**

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

**Estimation uncertainty and judgements**

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

**(i) Long service leave**

The liability for long service leave is recognised and measured at the present value of the estimated cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

**(ii) Impairment review**

As described in Note 1(o), management is required to test for impairment if events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Impairment testing is an area involving management judgement requiring assessment as to whether the asset can be supported by the net present value of future cashflows derived from the use of such assets.

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**(c) Significant management judgement in applying accounting policies (Cont'd)**

**(iii) Determining the lease term of contracts with renewal and termination options**

**Union as lessee**

The Union determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Union has several lease contracts that include extension and termination options. The Union applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination.

**(iv) Leases - Estimating the incremental borrowing rate**

The Union cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Union would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Union 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Union estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

**(d) New Australian Accounting Standards and Interpretations not yet mandatory or early adopted**

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Association for the annual reporting period ended 30 June 2022. The Association's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Association, is considered not significant.

**(e) New and Amended Accounting Standards Adopted by the Entity**

There are no new or amended accounting standards which had an impact on the Entity during this reporting period.

**(f) Income tax**

The Union is exempt from income tax under section 50.1 of the Income Tax Assessment Act 1997 however still has an 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 (ATO); 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 statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the ATO is classified within operating cash flows.

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**(g) Employee benefits**

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

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

Other long-term employee benefits which are expected to be settled beyond twelve months are measured as the present value of the estimated future cash outflows to be made by the Union in respect of services provided by employees up to reporting date.

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

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

The Union recognises a liability for movements in the provision for long service leave in relation to CSIRO employees and recharges the same to CSIRO staff Association. (refer to Note 27)

**(h) Current versus non-current classification**

The Union presents assets and liabilities in the statement of financial position based on current/non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Union classifies all other liabilities as non-current.

**(i) Goods and services tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office.

In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.



**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**(j) Revenue**

The Union enters into various arrangements where it receives consideration from another party. These arrangements include consideration in the form of membership subscriptions, capitation fees, levies, grants and donations.

The timing of recognition of these amounts as either revenue or income depends on the rights and obligations in those arrangements.

**Revenue from contracts with customers**

Where the Union has a contract with a customer, the Union recognises revenue when or as it transfers control of goods or services to the customer. The Union accounts for an arrangement as a contract with a customer if the following criteria are met:

- the arrangement is enforceable; and
- the arrangement contains promises (that are also known as performance obligations) to transfer goods or services to the customer (or to other parties on behalf of the customer) that are sufficiently specific so that it can be determined when the performance obligation has been satisfied.

**Membership subscriptions**

For membership subscription arrangements that meet the criteria to be contracts with customers, revenue is recognised when the promised goods or services transfer to the customer as a member of the Union.

If there is only one distinct membership service promised in the arrangement, the Union recognises revenue as the membership service is provided, which is typically based on the passage of time over the subscription period to reflect the Union promise to stand ready to provide assistance and support to the member as required.

**Capitation fees**

Where the Union's arrangement with a branch or another reporting unit meets the criteria to be a contract with a customer, the Union recognises the capitation fees promised under that arrangement when or as it transfers the Union to specify the goods or services that will transfer as part of its sufficiently specific promise to the branch/other reporting unit.

In circumstances where the criteria for a contract with a customer are not met, the Union will recognise capitation fees as income upon receipt.

**Levies**

Levies paid by a member(or other party) in an arrangement that meets the criteria to be a contract with a customer is recognised as revenue when or as the Union transfers the goods or services that will transfer as part of its sufficiently specific promise to the branch/other reporting unit.

In circumstances where the criteria for a contract with a customer are not met, the Union will recognise levies as income upon receipt.

**Gains from sale of assets**

An item of property, plant and equipment is derecognised upon disposal (which is at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

**Interest income**

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

**Rental income**

Leases in which the Union as a lessor, does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the relevant lease term. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

**Volunteer Services**

During the year, the Union did not recognise any volunteer services as revenue because it could not reliably measure the fair value of those services.

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**(k) Leases**

The Union as lessee

The Union assesses whether a contract is or contains a lease, at inception of the contract. The Union recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Union recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Right of use assets are amortised on a straight-line basis over the shorter of the lease term and estimated useful lives as follows:

<b>Class of right of use asset</b>	<b>Amortisation rate</b>
Leasehold property	20%
Motor vehicle	20-33.33%
Other equipment	20-25%

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Union uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the

The lease liability is presented as a separate line in the statement of financial position. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Union remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used); and
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Union did not make any such adjustments during the periods presented.

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**(l) Cash and cash equivalents**

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

**(m) Trade and other receivables**

Trade and other receivables are recognised initially at fair value and generally due for settlement within 30 days.

The collectability of debts is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment of receivables is established when there is objective evidence that the Union will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is recognised in the income statement as an expense.

**(n) Financial assets**

**Contract assets and receivables**

A contract asset is recognised when the Union's right to consideration in exchange goods or services that has transferred to the customer when that right is conditioned on the Union's future performance or some other condition.

A receivable is recognised if an amount of consideration that is unconditional is due from the customer (i.e. only the passage of time is required before payment of the consideration is due).

Contract assets and receivables are subject to impairment assessment. Refer to accounting policies on impairment of financial assets below.

**Initial recognition and measurement**

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income, or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Union's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the Union initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are 'solely payments of principal and interest' (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Union's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e. the date that the Union commits to purchase or sell the asset.

**Subsequent measurement**

- (Other) financial assets at amortised cost
- (Other) financial assets at fair value through other comprehensive income
- Investments in equity instruments designated at fair value through other comprehensive income
- (Other) financial assets at fair value through profit or loss
- (Other) financial assets designated at fair value through profit or loss.

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**(n) Financial assets (Cont'd)**

**Financial assets at amortised cost**

The Union measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Union's financial assets at amortised cost includes trade receivables.

**Financial assets at fair value through other comprehensive income**

The Union measures debt instruments at fair value through other comprehensive income (OCI) if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at fair value through other comprehensive income, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost.

The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

The Union's debt instruments at fair value through other comprehensive income includes investments in quoted debt instruments included under other non-current financial assets.

**Investments in equity instruments designated at fair value through other comprehensive income**

Upon initial recognition, the Union can elect to classify irrevocably its equity investments as equity instruments designated at fair value through other comprehensive income when they meet the definition of equity under AASB 132 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in profit or loss when the right of payment has been established, except when the Union benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through other comprehensive income are not subject to impairment assessment.

The Union elected to classify irrevocably its listed and non-listed equity investments under this category.

**Financial assets at fair value through profit or loss (including designated)**

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through other comprehensive income, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.



**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**(n) Financial assets (Cont'd)**

**Derecognition**

A financial asset is derecognised when:

- The rights to receive cash flows from the asset have expired; or

The Union has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

a) The Union has transferred substantially all the risks and rewards of the asset; or

b) The Union has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Union has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Union continues to recognise the transferred asset to the extent of its continuing involvement together with associated liability.

**Offsetting**

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**Impairment**

**Expected credit losses**

Receivables for goods and services, are recognised at the nominal amounts due less any loss allowance due to expected credit losses (ECLs) at each reporting date. A provision matrix that is based on historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment has been established.

**(i) Trade receivables**

For trade receivables that do not have a significant financing component, the Union applies a simplified approach in calculating ECLs which requires lifetime ECLs to be recognised from initial recognition of the receivables.

Therefore, the Union does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Union has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

**Debt instruments other than trade receivables**

For all debt instruments other than trade receivables and debt instruments not held at fair value through profit or loss, the Union recognises an allowance for ECLs using the general approach. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Union expects to receive, discounted at an approximation of the original EIR.

ECLs are recognised in two stages:

- Where there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses from possible default events within the next 12-months (a 12-month ECL).
- Where there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the debt, irrespective of the timing of the default (a lifetime ECL).

The Union considers a financial asset in default when contractual payments are past due. However, in certain cases, the Union may also consider a financial asset to be in default when internal or external information indicates that the Union is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**(o) Financial liabilities**

**Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, at amortised cost or at fair value through profit or loss.

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost, net of directly attributable transaction costs.

The Union's financial liabilities include trade and other payables.

**Subsequent measurement**

**Financial liabilities at fair value through profit or loss (including designated)**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Gains or losses on liabilities held for trading are recognised in profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in AASB 9 *Financial Instruments* are satisfied.

**Financial liabilities at amortised cost**

After initial recognition, trade payables and interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

**Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

**(p) Liabilities relating to contracts with customers**

**Contract liabilities**

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before Union transfers the related goods or services. Contract liabilities include deferred income. Contract liabilities are recognised as revenue when Union performs under the contract (i.e. transfers control of the related goods or services to the customer).

**Refund liabilities**

A refund liability is recognised for the obligation to refund some or all of the consideration received (or receivable) from a customer. Union's refund liabilities arise from customers' right of return. The liability is measured at the amount Union's ultimately expects it will have to return to the customer. Union updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

**(q) Contingent liabilities and contingent assets**

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.

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**(r) Land, buildings, plant and equipment**

**Asset recognition threshold**

Purchases of land, buildings, plant and equipment are recognised initially at cost in the Statement of Financial Position. The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

**Land and buildings**

Following initial recognition at cost, land and buildings are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Revaluations are performed with sufficient frequency such that the carrying amount of assets do not differ materially from those that would be determined using fair values as at the reporting date.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the profit or loss except to the extent that they reverse a previous revaluation increment for that class. Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset is restated to the revalued amount.

**Depreciation**

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful life using, in all cases, the straight line method of depreciation. Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

The depreciation rates used for each class of asset are:

Class of fixed asset	Depreciation rate	
	2022	2021
Land and buildings	2.0 - 2.5%	2.0 - 2.5%
Leasehold improvement	10 - 20%	10 - 20%
Freehold improvement	10 - 20%	10 - 20%
Computer system	20%	20%
Office equipment	5-40%	5-40%
Telephone system	20 - 33.33%	20 - 33.33%
Information systems project	20%	20%
CRM membership system	25%	25%

All minor purchases of assets (under \$2,000) are considered by the committee as having a useful life relative only to the period of purchase and as such are written off during that period.

**Derecognition**

An item of land, buildings, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit and loss.

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**(s) Impairment of non-financial assets**

All assets are assessed for impairment at the end of each reporting period to the extent that there is an impairment trigger. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the Union was deprived of the asset, its value in use is taken to be its depreciated replacement cost.

In other cases, for the purposes of determining recoverable amount, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

**(t) Fair value measurement**

The Union measures non-financial assets such as land and buildings, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principle market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Union. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Union uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Union determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as land and buildings. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. For the purpose of fair value disclosures, the reporting unit has determined classes of assets on the basis of the nature, characteristics and risks of the asset and the level of the fair value hierarchy.

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**Note 2 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 read as follows:

Information to be provided to members or Commissioner:

- (i) A member of a reporting unit, or the Commissioner, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (ii) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- (iii) A reporting unit must comply with an application made under subsection (1).

**Note 3 Income**

	2022 \$	2021 \$
<b>Disaggregation of revenue from contracts with customers</b>		
A disaggregation of Union's revenue by type of arrangement is provided on the face of the Statement of Comprehensive Income. The table below also sets out a disaggregation of revenue by type of customer:		
<b>Type of customer</b>		
Members	<u>24,024,454</u>	<u>24,869,999</u>
<b>3A Capitation fees and other revenue from another reporting unit</b>		
Capitation fees	-	-
Other revenue from another reporting unit		
Management Fee - CSIRO Staff Association (Note 26)	<u>90,347</u>	<u>89,794</u>
	<u>90,347</u>	<u>89,794</u>
<b>3B Compulsory levies</b>		
Total compulsory levies	<u>-</u>	<u>-</u>
<b>3C Interest received</b>		
Deposits with banks	<u>20,558</u>	<u>108,377</u>
<b>3D Rental revenue</b>		
CPSU Properties	<u>635,206</u>	<u>1,953,386</u>
<b>3E Other income</b>		
Dividend income	6,752,751	2,713,363
Management fee rebate	135,348	21,287
Directors fee (Note 18)	221,091	249,222
Sundries	106,112	54,956
Voluntary contributions - ABC Community Campaign (a)	<u>2,381</u>	<u>2,755</u>
	<u>7,217,683</u>	<u>3,041,583</u>
(a) The fundraising campaign has been established for the purpose of financially supporting the community campaigning efforts to increase the public's awareness and understanding of the workplace, political and funding issues facing the ABC and ABC staff.		
<b>3F Grants and / or donations</b>		
Grants	-	-
Donations in relation to campaign fund	<u>-</u>	<u>70</u>
	<u>-</u>	<u>70</u>



**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**Note 4 Expenses**

	2022 \$	2021 \$
<b>4A Employee expenses</b>		
<b>Holders of office:</b>		
- Salaries and wages (a)	995,551	953,906
- Superannuation	161,103	151,952
- Leave and other entitlements (b)	59,390	40,259
- Separation and redundancies	-	-
- Remote locality allowance	-	-
- Living away from home allowance	-	-
- Car allowance - NS	14,832	14,832
- Motor Vehicle - ANS	-	-
- Other employee benefits	386	412
<b>Subtotal employee expenses holders of office</b>	<b>1,231,262</b>	<b>1,161,361</b>
<b>Employees other than office holders:</b>		
- Salaries and wages (a)	16,296,103	15,979,823
- Superannuation	2,633,029	2,586,917
- Leave and other entitlements (b)	680,729	649,167
- Separation and redundancies	267,677	167,328
- Remote locality allowance	51,830	47,985
- Living away from home allowance	-	2,692
- Health & Wellbeing Allowance	5,195	6,678
- Other employee benefits	6,416	6,973
<b>Subtotal employee expenses employees other than office holders</b>	<b>19,940,979</b>	<b>19,447,563</b>
<b>Total employee expenses</b>	<b>21,172,241</b>	<b>20,608,924</b>

(a) Salaries and wages

This includes the normal salaries and wages paid and any annual leave paid during the year.

The Union believes this treatment allows a proper analysis of salaries and wages in terms of fluctuation caused by payments for salaries and wages and annual leave.

(b) Leave and other entitlements

This includes payments for long service leave, and recognises movements in the annual leave and long service leave liabilities during the year.

**4B Capitation fees and other expense to another reporting unit**

	2022 \$	2021 \$
- Capitation fees	-	-
- Other expense to another reporting unit	-	-
<b>Total capitation fees and other expense to another reporting unit</b>	<b>-</b>	<b>-</b>

**4C Administration expenses**

	2022 \$	2021 \$
- Total paid to employers for payroll deductions of membership subscriptions	439	806
- Compulsory Levy - Field and Digital Organising State Election Levy (ALP WA)	4,528	5,000
- Fees/allowance - meeting and conferences	-	-
- Conference and meeting expenses	94,909	14,699
- Information communications technology	1,181,677	1,261,650
- Interest expense on lease liability	77,040	104,855
- Insurance	660,528	639,752
- Management fee	357,448	56,102
- Office expense	124,541	108,113
- Payroll tax	1,017,673	1,016,882
- Property expense	1,600,073	1,281,823
- Travelling expense	81,693	106,054
- Other expenses	465,976	565,933
	<b>5,666,525</b>	<b>5,161,669</b>

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

<b>4D Affiliation fees</b>	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
- Australian Council of Trade Unions	<b>261,540</b>	263,642
- Unions NSW	<b>30,826</b>	30,507
- SA Unions	<b>15,330</b>	15,122
- Queensland Council of Unions	<b>42,604</b>	43,057
- Unions ACT	<b>55,984</b>	54,034
- Unions NT	<b>12,777</b>	12,474
- Unions Tasmania	<b>9,870</b>	10,064
- Trades Hall Council VIC	<b>44,932</b>	43,489
- Unions WA	<b>15,452</b>	15,591
- Geelong Trades Hall Council	<b>161</b>	155
- Gippsland Trades & Labour Council	<b>1,236</b>	1,236
- Bendigo Trades Hall Council	<b>400</b>	400
- South West Trades & Labour Council Inc.	<b>75</b>	-
- Newcastle Trades Hall Council	<b>1,757</b>	1,718
- Queensland Council of Unions Cairns	<b>-</b>	110
- Queensland Council of Unions Rockhampton	<b>-</b>	110
- Queensland Council of Unions Townsville	<b>100</b>	100
- Queensland Council Of Unions - Toowoomba	<b>220</b>	-
- Queensland Council of Unions - Bundaberg	<b>60</b>	-
- SA May Day Collective	<b>636</b>	-
- ALP - VIC	<b>40,381</b>	40,275
- ALP - NSW	<b>42,300</b>	43,885
- ALP - QLD	<b>29,723</b>	27,970
- ALP - SA	<b>12,030</b>	11,748
- ALP - ACT	<b>28,780</b>	28,118
- ALP - NT	<b>8,975</b>	8,348
- ALP - WA	<b>16,645</b>	16,954
- ALP - TAS	<b>4,096</b>	4,160
- Public Services Internationale	<b>43,023</b>	44,209
- UNI Global Union	<b>(38,424)</b>	11,079
- APHEDA	<b>2,805</b>	2,780
- AFTINET	<b>300</b>	300
<b>Total affiliation fees</b>	<b>684,594</b>	<b>731,635</b>

**4E Grants & donations**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
<b>Grants:</b>		
Total paid that were \$1,000 or less in relation to CPSU Member Skills/Qualification Grant Program	<b>733</b>	1,483
Total paid that exceeded \$1,000 in relation to CPSU Member Skills/Qualification Grant Program	<b>19,831</b>	15,638
	<b>20,564</b>	<b>17,121</b>
<b>Donations:</b>		
Total expensed that were \$1,000 or less	<b>1,000</b>	136
Total expensed that exceeded \$1,000 (a)	<b>128,466</b>	51,815
	<b>129,466</b>	<b>51,951</b>
	<b>150,030</b>	<b>69,072</b>

(a) Staff paid time for federal election campaign activities is reflected under Employee Expenses rather than Grants or Donations. The costs associated with staff time spent on the campaign were from within the existing staffing budget allocation of the Union. The value of paid time campaign work was \$498,753.

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**4F Depreciation and amortisation**

	2022	2021
	\$	\$
- Amortisation on right of use assets	894,804	1,237,768
- Buildings	251,366	139,750
- Leasehold improvements	461,433	113,672
- Plant and equipment	144,090	76,180
<b>Total depreciation and amortisation</b>	<b>1,751,693</b>	<b>1,567,370</b>

**4G Remuneration of auditors**

	2022	2021
	\$	\$
- Audit - current year	45,000	43,000
- Other services	15,905	25,205
	<b>60,905</b>	<b>68,205</b>

Other services include services in relation to the audit of the political membership returns, statement of outgoing for rental properties and assistance in the preparation of the general purpose financial report.

**4H Legal costs**

	2022	2021
	\$	\$
- Litigation	-	-
- Other legal costs	25,076	46,067
	<b>25,076</b>	<b>46,067</b>

**4I Write-down and impairment of assets**

	2022	2021
	\$	\$
Asset write-downs and impairments of:		
- Investment	-	-

**4J Other expenses**

	2022	2021
	\$	\$
Penalties - via RO Act or the <i>Fair Work Act 2009</i> *	-	-

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**Note 5 Cash and cash equivalents**

	2022	2021
	\$	\$
Cash on hand	-	-
Cash at bank	553,813	4,493,120
Short term deposits	4,254,034	6,916,241
	<u>4,807,847</u>	<u>11,409,361</u>

**Note 6 Trade and other receivables**

	2022	2021
	\$	\$
<b>Current</b>		
Receivables from other reporting unit - CSIRO Staff Association (Note 26)	135,200	231,638
Less allowance for expected credit losses	-	-
Trade and other debtors	142,373	53,010
Owing by Shared Advantage Ltd	9,954	9,954
	<u>287,527</u>	<u>294,602</u>

The amount owing by Shared Advantage Ltd, a controlled entity, is unsecured, interest free and repayable as and when Shared Advantage Ltd has funds to pay.

**Note 7 Other current assets**

	2022	2021
	\$	\$
Prepayments	593,921	514,029
	<u>593,921</u>	<u>514,029</u>

**Note 8 Financial assets**

	2022	2021
	\$	\$
<b>Non-current</b>		
Seed Funding to Shared Advantage Limited (a)		
- At cost	225,000	225,000
- Less provision for impairment loss	(85,000)	(85,000)
	<u>140,000</u>	<u>140,000</u>
Available-for-sale financial assets	37,747,134	40,824,536
	<u>37,887,134</u>	<u>40,964,536</u>

(a) The seed funding is unsecured, interest free and repayable as and when Shared Advantage Ltd has funds to pay.

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**Note 9 Property, plant and equipment**

	2022 \$	2021 \$
<b>Land and buildings</b>		
Freehold land and buildings including freehold improvement at independent	840,000	840,000
Freehold land and buildings at cost	31,160,039	29,465,940
Less accumulated depreciation	(22,803)	(9,500)
<b>Net land and buildings</b>	<b>31,977,236</b>	<b>30,296,440</b>
<b>Leasehold improvements</b>		
At cost	1,845,650	1,024,442
Less accumulated depreciation	(897,604)	(478,530)
<b>Net Leasehold Improvements</b>	<b>948,046</b>	<b>545,912</b>
<b>Plant and equipment</b>		
At cost	1,762,672	3,716,831
Less Impairment	(318,789)	(318,789)
Less accumulated depreciation	(704,731)	(2,992,931)
<b>Net plant and equipment</b>	<b>739,152</b>	<b>405,111</b>
<b>Website</b>		
At cost	19,800	126,761
Less accumulated depreciation	(19,800)	(126,761)
<b>Net website</b>	<b>-</b>	<b>-</b>
<b>Total land, buildings, plant and equipment</b>	<b>33,664,434</b>	<b>31,247,463</b>

Fair value of the properties was determined by using market comparable method. This means that valuations performed by the valuer are based on active market prices, significantly adjusted for difference in the nature, location or condition of the specific property. Except for the property at Foveaux St, which was based on cost, all other properties fair value was based on valuations performed by Charter Keck Cramer and Herron Todd White, who are accredited independent valuers.

**Movements in carrying amounts**

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

**2022**

	Land and Buildings \$	Leasehold Improvements \$	Plant and Equipment \$	Website \$	Total \$
Balance at beginning of year	30,296,440	545,912	405,111	-	31,247,463
Additions	1,857,912	863,567	482,338	-	3,203,817
Disposal	-	-	(4,207)	-	(4,207)
Revaluation	74,250	-	-	-	74,250
Depreciation/Amortisation	(251,366)	(461,433)	(144,090)	-	(856,889)
Balance at the end of year	31,977,236	948,046	739,152	-	33,664,434

**2021**

	Land and Buildings \$	Leasehold Improvements \$	Plant and Equipment \$	Website \$	Total \$
Balance at beginning of year	55,934,776	663,427	207,723	720	56,806,646
Additions	31,056,892	-	276,173	-	31,333,065
Disposal	(75,000,000)	(3,843)	(3,325)	-	(75,007,168)
Revaluation	18,444,522	-	-	-	18,444,522
Depreciation/Amortisation	(139,750)	(113,672)	(75,460)	(720)	(329,602)
Balance at the end of year	30,296,440	545,912	405,111	-	31,247,463

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**Note 10A Right of use assets**

	<b>2022</b>	2021
	<b>\$</b>	<b>\$</b>
At cost	<b>4,510,824</b>	5,877,494
Accumulated depreciation	<b>(2,856,534)</b>	(4,246,970)
	<b><u>1,654,290</u></b>	<u>1,630,524</u>

**Reporting unit as a lessee**

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

	<b>Motor vehicle \$</b>	<b>Leasehold property \$</b>	<b>Other equipment \$</b>	<b>Total \$</b>
As at 1 July 2021	402,844	1,083,858	143,822	1,630,524
Additions	-	960,547	-	960,547
Depreciation	(129,695)	(640,929)	(124,180)	(894,804)
Disposal	(38,684)	-	(3,293)	(41,977)
As at 30 June 2022	<u>234,465</u>	<u>1,403,476</u>	<u>16,349</u>	<u>1,654,290</u>

	<b>Motor vehicle \$</b>	<b>Leasehold property \$</b>	<b>Other equipment \$</b>	<b>Total \$</b>
As at 1 July 2020	553,845	1,818,544	269,415	2,641,804
Additions	6,961	219,527	-	226,488
Depreciation	(157,962)	(954,213)	(125,593)	(1,237,768)
As at 30 June 2021	<u>402,844</u>	<u>1,083,858</u>	<u>143,822</u>	<u>1,630,524</u>



**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**Note 10B Leases**

	2022	2021
	\$	\$
Current	729,593	915,429
Non-current	1,137,358	1,011,707
Total	<u>1,866,951</u>	<u>1,927,136</u>

The maturity analysis of lease liabilities is disclosed in note 21D.

**Reporting unit as a lessee**

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

	Motor vehicle \$	Leasehold property \$	Other equipment \$	Total \$
As at 1 July 2021	407,113	1,369,166	150,857	1,927,136
Additions	-	960,547	-	960,547
Payments	(130,544)	(717,542)	(130,028)	(978,114)
Disposal	(39,182)	-	(3,436)	(42,618)
As at 30 June 2022	<u>237,387</u>	<u>1,612,171</u>	<u>17,393</u>	<u>1,866,951</u>

The following are the amounts recognised in profit or loss:

	2022	2021
	\$	\$
Depreciation expense of right-of-use assets	894,804	1,237,768
Interest expense on lease liabilities	77,040	104,855
Expense relating to short-term leases	1,128,544	569,676
<b>Total amount recognised in profit or loss</b>	<u>2,100,388</u>	<u>1,912,299</u>

**Note 11 Trade payables**

	2022	2021
	\$	\$
<b>Current</b>		
Accounts payable and accruals	<u>972,778</u>	<u>1,454,315</u>

**Note 12 Other payables**

Incentive received in advance	8,073	27,450
Payables to other reporting unit - CSIRO Staff Association (Note 26)	-	384
Wages payable	444,368	236,832
GST payable	-	172,845
Payable to employers for making payroll deductions of membership subscriptions	-	-
Legal costs payable in relation to:	-	-
- Litigation	-	-
- Other legal costs	4,000	20,000
	<u>456,441</u>	<u>457,511</u>

The settlement for trade and other payable is usually made within 30 days

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**Note 13 Other liabilities**

	2022	2021
	\$	\$
<b>Non-current</b>		
Rental bond received	<b>28,251</b>	160,778

**Note 14 Provisions - employee benefits**

	2022	2021
	\$	\$
<b>Current</b>		
<b>Holders of office:</b>		
Annual leave	151,256	127,530
Long service leave	333,273	294,380
Separation and redundancies	-	-
Other	-	-
	<b>484,529</b>	421,910
<b>Employees other than office holders:</b>		
Annual leave	1,957,630	1,751,514
Long service leave	2,461,894	2,376,352
Separation and redundancies	-	-
Other	-	-
	<b>4,419,524</b>	4,127,866
<b>Total current provisions - employee benefits</b>	<b>4,904,053</b>	4,549,776
<b>Non-current</b>		
<b>Holders of office:</b>		
Annual leave	-	-
Long service leave	-	-
Separation and redundancies	-	-
Other	-	-
	-	-
<b>Employees other than office holders:</b>		
Annual leave	-	-
Long service leave	170,935	204,782
Separation and redundancies	-	-
Other	-	-
	<b>170,935</b>	204,782
<b>Total non-current provisions - employee benefits</b>	<b>170,935</b>	204,782

Included in the provision is a liability for movements in the provision for long service leave in relation to CSIRO employees. Such amounts are recharged to CSIRO Staff Association, and included in amounts owing by CSIRO Staff Association (Note 26).

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**Note 15 Commitments**

<b>(a) Operating lease commitments - as lessor</b>	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>

Future minimum rentals receivable under non-cancellable operating leases as at 30 June are as follows:

- not later than 1 year	<b>488,716</b>	212,100
- later than 1 year but not more than 5 years	<b>483,620</b>	352,795
Balance at the end of the year	<b>972,336</b>	564,895

The property lease commitments are non-cancellable operating leases with remaining lease terms of between 1 year and 5 years. Increases in lease commitments may occur in line with CPI or market rent reviews in accordance with the agreements including major tenancy leases.

**(b) Capital commitments**

At 30 June 2022 the Union had no capital commitments (2021: NIL).

**Note 16 Equity**

**16A General funds**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Retained profit at the beginning of the year	<b>8,678,249</b>	6,867,932
Surplus on General Fund transferred	-	-
Funds transferred	<b>14,848</b>	50
Surplus for the year	<b>2,477,124</b>	1,810,267
Retained profit at the end of the year	<b>11,170,221</b>	8,678,249

**16B Reserves**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
<b>Capital profits and asset revaluation reserve</b>		
Balance bought forward	<b>68,575,456</b>	51,963,661
Unrealised loss in investment	<b>(9,578,747)</b>	(1,832,726)
Asset revaluation increment	<b>74,250</b>	18,444,521
Balance carried forward	<b>59,070,959</b>	68,575,456

**Death and benevolent fund**

Balance bought forward	<b>37,664</b>	42,164
Fund used	-	(4,500)
Balance carried forward	<b>37,664</b>	37,664

**Campaign fund**

Balance bought forward	<b>14,848</b>	14,898
Transferred from general fund	<b>(14,848)</b>	-
Transferred to general fund	-	(50)
Balance carried forward	<b>-</b>	14,848

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**Note 17 Cash flow information**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
<b>(a) Cash flow reconciliation</b>		
<b>Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement:</b>		
<b>Cash and cash equivalents as per:</b>		
Statement of cash flows	<b>4,807,847</b>	11,409,361
Statement of financial position	<b>4,807,847</b>	11,409,361
Difference	<u>-</u>	<u>-</u>
<b>Reconciliation of cash flow from operations with operating surplus</b>		
Operating surplus	<b>2,477,124</b>	1,810,267
Non cash flow in operating surplus:		
Reinvestment of dividend income (net of management fee)	<b>(6,501,347)</b>	(2,657,261)
Depreciation and amortisation	<b>856,889</b>	329,602
Loss on disposal of fixed assets	<b>4,207</b>	7,166
Depreciation on right of use assets	<b>936,781</b>	1,237,768
(Increase)/Decrease in trade debtors	<b>7,075</b>	(22,321)
(Increase)/Decrease in prepayments	<b>(79,892)</b>	442,519
(Increase)/Decrease in ROU assets	<b>(960,547)</b>	(226,488)
Increase/(Decrease) in lease liabilities	<b>917,929</b>	226,488
Increase/(Decrease) in provisions	<b>320,430</b>	343,270
Increase/(Decrease) in trade creditors and accruals	<b>(481,537)</b>	378,995
Increase/(Decrease) in other liabilities	<b>(133,595)</b>	212,251
Increase/(Decrease) in Death and Benevolent Fund	<b>-</b>	(4,500)
Net cash (used in)/provided by operating activities	<u><b>(2,636,483)</b></u>	<u>2,077,756</u>
<b>(b) Cash inflow information</b>		
Cash inflows		
Shared Advantage Limited	<b>-</b>	-
CSIRO Staff Association	<b>1,363,806</b>	1,470,727
<b>Total cash inflows</b>	<u><b>1,363,806</b></u>	<u>1,470,727</u>
Cash outflows		
CSIRO Staff Association	<b>(5,424)</b>	(4,110)
<b>Total cash outflows</b>	<u><b>(5,424)</b></u>	<u>(4,110)</u>

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**Note 18 Related party disclosures**

The Union's related parties include the following:

(a) Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the Union, directly or indirectly, are considered key management personnel. For CPSU PSU Group this included Elected Officials, Regional Secretaries and Directors. For details of remuneration disclosures relating to key management personnel, refer to Note 19 Key Management Personnel Compensation.

(b) Controlled entity

The Union has a controlled entity, Shared Advantage Ltd. This subsidiary has not been consolidated as both its revenue and net assets represent less than half a percentage of the total revenue and net assets of the Union. Consolidation will not provide any further useful information than what is currently disclosed in the Union's financial statements.

(c) Board representation

As discussed in the Operating Report, one or more nominees of the Union sit on certain Boards. No director's fee has been received personally by the officers of the Union with respect to these Boards. All such director's fees have been received by the Union and are disclosed in Note 3.

(d) Office holders

There have been no other transactions between the office holders and their Union other than reimbursement by the Union in respect of expenses incurred by them in the performance of their duties. Such transactions have been on conditions no more favourable than those which it is reasonable to expect would have been adopted by parties at arm's length.

**Note 19 Key management personnel remuneration for the reporting period**

	2022 \$	2021 \$
<b>Short-term employee benefits</b>		
Salary (including annual leave taken)	2,731,683	2,540,318
Annual leave accrued	225,115	208,992
Remote Localities Allowance	6,241	6,118
Living Away from Home Allowance	-	-
<b>Total short-term employee benefits</b>	<b>2,963,039</b>	<b>2,755,428</b>
<b>Post-employment benefits</b>		
Superannuation	437,505	403,707
<b>Total post-employment benefits</b>	<b>437,505</b>	<b>403,707</b>
<b>Other long-term benefits</b>		
Long service leave	45,451	21,421
<b>Total other long-term benefits</b>	<b>45,451</b>	<b>21,421</b>
<b>Termination benefits</b>	<b>-</b>	<b>27,889</b>
<b>Total</b>	<b>3,445,995</b>	<b>3,208,445</b>

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**Note 20 Transactions with key management personnel and their close family members**

There were no transactions with key management personnel and their family members for the year ended 30 June 2022. (2021: Nil)

**Note 21 Financial instruments**

(a) Interest rate risk

Interest rate risk is the risk that a financial instruments value will fluctuate as a result of changes in market interest rates. The Union's exposure to interest rate risk at 30 June 2022 is limited to cash and term deposits of \$4,807,847.

Risk is minimised through investing surplus in financial institutions that maintain a high credit rating.

(b) Credit risk

Credit risk is the exposure to financial assets arising from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Union. The Union's risk exposure relates to trade receivables \$254,623 and seed funding \$140,000 to its related party.

Risk is minimised by carrying out a credit risk assessment of the party and following up receivables for payments on a timely basis.

(c) Liquidity risk

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

- Preparing forward- looking cash flow analysis in relation to its operating, investing and financing activities
- Maintaining a reputable credit profile
- Only investing surplus cash with major financial institutions

**Note 21A Categories of financial instruments**

	2022	2021
	\$	\$
<b>Financial assets</b>		
At amortised cost:		
Cash and cash equivalents	4,807,847	11,409,361
Trade and other receivables	287,527	294,602
Seed funding	140,000	140,000
	<u>5,235,374</u>	<u>11,843,963</u>
Fair value through other comprehensive income:		
Available-for-sale assets	37,747,134	40,824,536
<b>Carrying amount of financial assets</b>	<u><b>42,982,508</b></u>	<u><b>52,668,499</b></u>
<b>Financial liabilities</b>		
Other financial liabilities:		
Trade payables	972,778	1,454,315
Other payables	456,441	457,511
Other liabilities	-	-
<b>Carrying amount of financial liabilities</b>	<u><b>1,429,219</b></u>	<u><b>1,911,826</b></u>



**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**Note 21B Net income and expense from financial assets and financial liabilities**

	2022	2021
	\$	\$
<b>Lease Liabilities</b>		
Interest expense on lease liabilities	(77,040)	(104,855)
<b>Held-to-maturity</b>		
Interest revenue	20,558	108,377
<b>Available-for-sale financial assets</b>		
Dividend income	6,752,751	2,713,363
Management fee rebate	135,348	21,287
Management fee	(357,448)	(56,102)
<b>Net (expense)/income from financial assets and financial liabilities</b>	<b>6,474,169</b>	<b>2,682,070</b>

**Note 21C Credit risk**

The Union's credit risk extends to trade debtors and seed funding, which are stated at recoverable amounts.

The Union measures its credit risk exposure on an individual specific account basis. Trade receivables and other receivables are reported at fair value less any provision for doubtful debts. Trade receivables are reviewed on an ongoing basis. Debts which are known to be un-collectible are written off. A provision for doubtful receivables is established where there is subjective evidence that the receivable may not be collectable in full. Movements on the provision are recognised directly to the income statement.

**Note 21D Liquidity risk**

**Lease liability maturities for 2022**

	0 - 1 year	1- 2 years	2- 5 years	>5 years	Total
	\$	\$	\$	\$	\$
	729,593	492,905	644,453	-	1,866,951
<b>Total</b>	<b>729,593</b>	<b>492,905</b>	<b>644,453</b>	<b>-</b>	<b>1,866,951</b>

**Lease liability maturities for 2021**

	0 - 1 year	1- 2 years	2- 5 years	>5 years	Total
	\$	\$	\$	\$	\$
	915,431	583,257	428,449	-	1,927,137
<b>Total</b>	<b>915,431</b>	<b>583,257</b>	<b>428,449</b>	<b>-</b>	<b>1,927,137</b>

**Note 21E Market risk**

Interest rate risk

**Sensitivity analysis of the risk that the entity is exposed to for 2022**

	Change in risk variable %	Effect on	
		Profit and loss	Equity
		\$	\$
Interest rate risk	1%	48,000	48,000
Interest rate risk	-1%	(48,000)	(48,000)

**Sensitivity analysis of the risk that the entity is exposed to for 2021**

	Change in risk variable %	Effect on	
		Profit and loss	Equity
		\$	\$
Interest rate risk	1%	114,000	114,000
Interest rate risk	-1%	(114,000)	(114,000)

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**Note 22 Fair value measurement**

**Note 22A Financial assets and liabilities**

Management of the Union assessed that cash, trade receivables, trade payables, and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The following table contains the carrying amounts and related fair values for the Union's financial assets and liabilities:

	<b>Carrying Amount 2022 \$</b>	<b>Fair Value 2022 \$</b>	<b>Carrying Amount 2021 \$</b>	<b>Fair Value 2021 \$</b>
<b>Financial assets</b>				
Cash	4,807,847	4,807,847	11,409,361	11,409,361
Receivables	287,527	287,527	294,602	294,602
Seed Funding	140,000	140,000	140,000	140,000
Available-for-sale assets	37,747,134	37,747,134	40,824,536	40,824,536
<b>Total</b>	<b>42,982,508</b>	<b>42,982,508</b>	<b>52,668,499</b>	<b>52,668,499</b>
<b>Financial liabilities</b>				
Trade payables	972,778	972,778	1,454,315	1,454,315
Other payables	456,441	456,441	457,511	457,511
<b>Total</b>	<b>1,429,219</b>	<b>1,429,219</b>	<b>1,911,826</b>	<b>1,911,826</b>

**Note 22B Financial and non-financial assets and liabilities fair value hierarchy**

**Fair value hierarchy - 30 June 2022**

	<b>Date of valuation</b>	<b>Level 2 \$</b>
<b>Assets measured at fair value</b>		
Property	30/06/2022	900,000
Property - Valued at cost	-	29,405,940
<b>Total</b>		<b>30,305,940</b>

**Fair value hierarchy - 30 June 2021**

	<b>Date of valuation</b>	<b>Level 2 \$</b>
<b>Assets measured at fair value</b>		
Properties	30/06/2021	840,000
Property - Valued at cost	-	29,465,940
<b>Total</b>		<b>30,305,940</b>

Except for the properties which are measured at level 2 of fair value hierarchy as disclosed below, all other financial and non-financial assets and liabilities are measured at level 1 of the fair value hierarchy.

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**Note 23 Contingent liabilities**

	2022	2021
	\$	\$
(a) <b>Guarantees</b>		
Bank Guarantees	<b>397,343</b>	439,285
	<b>397,343</b>	439,285

**Note 24 Events after the reporting period**

- (a) As a result of the evolving nature of the COVID-19 outbreak and the rapidly evolving government policies of restrictive measures put in place to contain it, as at the date of these financial statements, the Union is not in a position to reasonably estimate the financial effects of the COVID-19 outbreak on the future financial performance and financial position of the Union.

**Note 25 Financial support**

The Union has agreed to provide financial support to its related entity, Shared Advantage Ltd ( a company limited by guarantee) in order that it is able to meet its debts as and when they become due and payable. Such financial support includes initial funding and working capital needs. The amounts are unsecured, interest free and payable as and when the related party has funds to do so.

**Note 26 Transactions with CSIRO Staff Association**

The CSIRO Staff Association is a section of the Community and Public Sector Union (CPSU).

Amounts paid for by CSIRO Staff Association were recovered from the CPSU - PSU Group on receipt of invoices during the year.

The CPSU - PSU Group processes and administers the payroll function for the CSIRO Staff Association. The CSIRO Staff Association reimburses the CPSU - PSU Group for the Section's employees payroll cost, including superannuation, payroll tax and Workcover, on a monthly basis. The CSIRO Staff Association also pays the Section's share of costs and other reimbursements to the CPSU - PSU Group including the Melbourne office rent, interstate office rents, insurance, telephone, photocopier charges, travel expenses, affiliation fees and movement in LSL provision (refer Note 1(g)).

The CSIRO Staff Association pays management fees to the CPSU - PSU Group, calculated at 7% of Membership Subscription revenue.

The CSIRO Staff Association is registered for GST on a consolidated basis with the CPSU - PSU Group. The net GST on the Section's income and expenses is paid at the end of each month to the CPSU - PSU Group.

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**Note 27 Prior Year Error**

The following prior year error has been corrected as part of the preparation of the financial report for the year ended 30 June 2022:

- Dividend income was incorrectly recorded in the movements of Asset Revaluation Reserve by \$2,713,363 in 2021 year, instead of it being correctly recognised in Statement of Comprehensive Income.
- Management fee rebate was incorrectly omitted in the Statement of Comprehensive Income by \$21,287 in 2021 year, instead of it being correctly recognised in Statement of Comprehensive Income.
- Management fee was incorrectly recorded in the movements of Asset Revaluation Reserve account by \$56,102 in 2021 year, instead of it being correctly recognised in Statement of Comprehensive Income.

The above errors have been corrected by adjusting opening retained earnings by \$2,78,546 and restating the 2021 financial report as follows:

**Statement of Profit or Loss and Other Comprehensive Income (extract)**

	30 Jun 2021	Adjustments	Restated 30 June 2021
Dividend income	-	2,713,363	2,713,363
Management fee rebate	-	21,287	21,287
Management fee	-	(56,102)	(56,102)
<b>(Deficit)/Surplus</b>	<b>(868,281)</b>	<b>2,678,548</b>	<b>1,810,267</b>

**Statement of Financial Position (extract)**

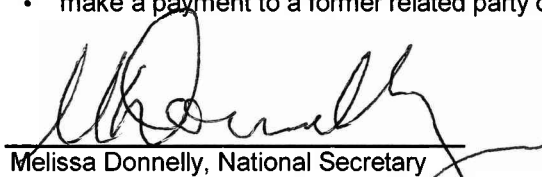
Trade and other receivables	273,315	21,287	294,602
<b>Net Assets</b>	<b>77,284,930</b>	<b>21,287</b>	<b>77,306,217</b>
Capital Profits and Asset Revaluation Reserve	71,232,717	(2,657,261)	68,575,456
Retained Earnings	5,999,701	2,678,548	8,678,249
<b>Total Equity</b>	<b>77,284,930</b>	<b>21,287</b>	<b>77,306,217</b>

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP  
OFFICER DECLARATION STATEMENT**

I, Melissa Donnelly, being the National Secretary of PSU Group, declare that the following activities did not occur during the reporting period ending 30 June 2022.

The reporting unit did not:

- agree to receive financial support from another reporting unit to continue as a going concern (refers to agreement regarding financial support not dollar amount)
- acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission
- have another entity administer the financial affairs of the reporting unit
- make a payment to a former related party of the reporting unit



Melissa Donnelly, National Secretary

Dated at Sydney, this 20<sup>th</sup> day of October 2022