



3 April 2024

Melissa Donnelly
Joint National Secretary
CPSU, the Community and Public Sector Union-PSU Group
Sent via email: melissa.donnelly@cpsu.org.au
CC: 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 2023 – (FR2023/82)**

I acknowledge receipt of the financial report for the year ended 30 June 2023 for the CPSU, the Community and Public Sector Union-PSU Group (the reporting unit). The documents were lodged with the Fair Work Commission (the Commission) on 18 December 2023.

The financial report has now been filed.

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

You are not required to take any further action in respect of the report lodged. I make the following comments to assist you when you next prepare a financial report:

Preparation of consolidated financial statements

The Australian Accounting Standard, AASB 10 *Consolidated Financial Statements* requires the preparation of consolidated financial statements of a controlled entity. However, in Note 1 *Basis of preparation* within the notes to the financial statements, the reporting unit has stated that it has not produced consolidated financial statements of a controlled entity, Shared Advantage Ltd. The reporting unit stated the following reason for not consolidating:

“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 Commission is unaware that the reason provided by the reporting unit to not consolidate its controlled entity is an option available under the accounting standards. When preparing the next financial report, please obtain appropriate accounting advice to determine whether in accordance with AASB 10 the reporting unit is required to prepare consolidated financial statements.

Please note that the financial report for the year ending 30 June 2024 may be subject to an advanced compliance review.

Reporting Requirements

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

The Commission recommends that reporting units use these model financial statements to assist in complying with the RO Act, the section 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 call 1300 341 665 or email regorgs@fwc.gov.au.

Yours sincerely

Fair Work Commission

The Community and Public Sector Union PSU Group

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

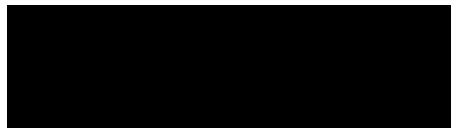
Certificate by prescribed designated officer

Certificate for the year ended 30 June 2023

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 2023; and
- that the full report was presented to the committee of management of the reporting unit on 11 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: 18/12/2023

CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP

**Annual Financial Report For The Year Ended
30 June 2023**

CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
30 June 2023

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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 2023, 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 2023, 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 for 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 the 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 Union'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 Union or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of 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 committee of management.
- Conclude on the appropriateness of the committee of management 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.



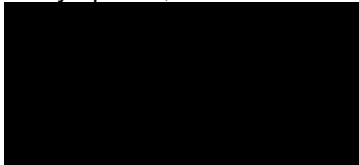
I communicate with the committee of management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

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

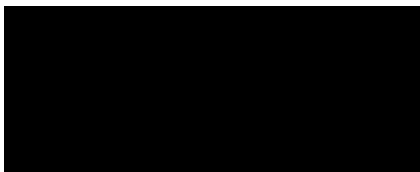
Dated at Sydney, this 3rd day of November 2023

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
REPORT REQUIRED UNDER SUBSECTION 255(2A)
FOR THE YEAR ENDED 30 JUNE 2023**

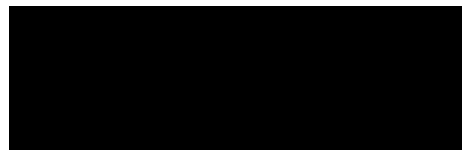
The Committee of Management presents the expenditure report as required under subsection 255(2A) on the Union for the year ended 30 June 2023.

Categories of expenditures	2023	2022
	\$	\$
Remuneration and other employment-related costs and expenses - employees (a)	20,712,770	20,673,487
Advertising	34,115	32,929
Operating costs	5,994,652	6,400,438
Donations to political parties	266	627,219
Legal costs	57,051	25,076

(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 1st day of November 2023

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
COMMITTEE OF MANAGEMENT STATEMENT
FOR THE YEAR ENDED 30 JUNE 2023**

On 26 October 2023 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 2023:

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) 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 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 consistent manner with each of the other reporting units of the organisation; and
 - v. where information has been sought in any request by a member of the reporting unit or General Manager duly made under section 272 of the RO Act has been provided to the member or General Manager; and
 - vi. where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.

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 18th day of November 2023

CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 \$	2022 \$
Revenue from contracts with customers	3		
Membership subscriptions		24,975,540	24,024,454
Capitation fee and other revenue from another reporting unit	3A	95,700	90,347
Compulsory levies	3B	-	-
Revenue from recovery of wages activities		-	-
Total revenue from contracts with customers		25,071,240	24,114,801
Income for furthering objectives	3		
Grants and / or donations	3F	-	-
Income recognised from volunteer services		-	-
		-	-
Other Income			
Interest received	3C	55,933	20,558
Rental revenue	3D	685,349	635,206
Other income	3E	1,621,431	7,217,683
Total other income		2,362,713	7,873,447
Total income		27,433,953	31,988,248
Expenses			
Employee expenses	4A	(20,713,035)	(21,172,241)
Capitation fees and other expense to another reporting unit	4B	-	-
Administration expenses	4C	(5,213,162)	(5,666,525)
Affiliation fees	4D	(728,585)	(684,654)
Grants or donations	4E	(21,755)	(150,030)
Depreciation and amortisation	4F	(1,884,360)	(1,751,693)
Audit fees	4G	(65,265)	(60,905)
Legal costs	4H	(57,051)	(25,076)
Impairment loss on assets	4I	(5,550,569)	-
Other expenses from ordinary activities	4J	-	-
Total expenses		(34,233,782)	(29,511,124)
Net (deficit)/surplus for the year		(6,799,829)	2,477,124
Other comprehensive income			
Items that will not be subsequently reclassified to profit or loss:			
- Unrealised gain/(loss) in investment		2,787,306	(9,578,747)
- Revaluation (decrement)/increment in land & building		(674,692)	74,250
Total comprehensive income for the year		(4,687,215)	(7,027,373)

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 2023

	Note	2023 \$	2022 \$
Assets			
Current assets			
Cash and cash equivalents	5	2,248,462	4,807,847
Trade and other receivables	6	338,684	287,527
Other current assets	7	897,201	593,921
Total current assets		3,484,347	5,689,295
Non-current assets			
Financial assets	8	41,664,413	37,887,134
Property, plant and equipment	9	27,371,656	33,664,434
Right of use assets	10A	2,240,848	1,654,290
Total non-current assets		71,276,917	73,205,858
Total assets		74,761,264	78,895,153
Current liabilities			
Trade payables	11	1,862,808	972,778
Other payables	12	22,585	456,441
Lease Liabilities	10B	869,518	729,593
Provisions - employee benefits	14	4,722,280	4,904,053
Other provisions - make good		-	216,900
Total current liabilities		7,477,191	7,279,765
Non-current liabilities			
Lease Liabilities	10B	1,537,340	1,137,358
Other Liabilities	13	-	28,251
Provisions - employee benefits	14	159,604	170,935
Total non-current liabilities		1,696,944	1,336,544
Total liabilities		9,174,135	8,616,309
Net assets		65,587,129	70,278,844
Equity			
General fund balance	16A	4,370,392	11,170,221
Reserves	16B	61,216,737	59,108,623
Total equity		65,587,129	70,278,844

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 2023

	Capital Profits and Asset Revaluation Reserve	Death and Benevolent Fund	Campaign Fund	General Fund	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2021	68,575,456	37,664	14,848	8,678,249	77,306,217
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	-
Balance at 30 June 2022	59,070,959	37,664	-	11,170,221	70,278,844
Unrealised gain in investment	2,787,306	-	-	-	2,787,306
Asset revaluation decrement	(674,692)	-	-	-	(674,692)
Funds utilised	-	(4,500)	-	-	(4,500)
Net deficit for the year	-	-	-	(6,799,829)	(6,799,829)
Balance at 30 June 2023	61,183,573	33,164	-	4,370,392	65,587,129

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 2023

	Note	2023 \$	2022 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members and others		27,741,988	27,306,383
Receipts from other reporting units/controlled entities	17(b)	1,311,304	1,363,806
Payments to suppliers		(8,297,471)	(9,264,411)
Payments to other reporting units/controlled entities	17(b)	(5,138)	(5,424)
Payments to employees		(20,906,139)	(20,851,811)
Interest received		55,933	20,558
Interest paid on lease liabilities		(90,387)	(77,040)
Lease payments not included in the measurement of lease liabilities		(420,049)	(1,128,544)
Net cash used in operating activities	17(a)	(609,959)	(2,636,483)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		(992,407)	(2,986,917)
Net cash used in investing activities		(992,407)	(2,986,917)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment for lease liabilities		(957,019)	(978,114)
Net cash used in financing activities		(957,019)	(978,114)
Net decrease in cash held		(2,559,385)	(6,601,514)
Cash at beginning of financial year		4,807,847	11,409,361
Cash at end of financial year	5	2,248,462	4,807,847

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 2023

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(t), 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 2023

(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 Union for the annual reporting period ended 30 June 2023. The Union's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Union, 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 Union 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 2023

(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. The Union 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 25)

(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 2023

(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.

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(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:

Class of right of use asset	Amortisation rate
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 lease.

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.

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(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 instruments

Financial assets and financial liabilities are recognised when the Union becomes a party to the contractual provisions of the instrument.

(o) 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.

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(o) 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.

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(o) 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.

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(p) 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.

(q) 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.

(r) 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.

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(s) 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	
	2023	2022
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.

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(t) 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.

(u) 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.

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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 General Manager:

- (i) A member of a reporting unit, or the General Manager, 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

	2023	2022
	\$	\$
Disaggregation of revenue from contracts with customers		
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:		
Type of customer		
Members	<u>24,975,540</u>	<u>24,024,454</u>
3A Capitation fees and other revenue from another reporting unit		
Capitation fees	-	-
Other revenue from another reporting unit		
Management Fee - CSIRO Staff Association (Note 25)	<u>95,700</u>	<u>90,347</u>
	<u>95,700</u>	<u>90,347</u>
3B Compulsory levies		
Total compulsory levies	<u>-</u>	<u>-</u>
3C Interest received		
Deposits with banks	<u>55,933</u>	<u>20,558</u>
3D Rental revenue		
CPSU Properties	<u>685,349</u>	<u>635,206</u>
3E Other income		
Dividend income	1,277,880	6,752,751
Management fee rebate	131,342	135,348
Directors fee (Note 18)	194,169	221,091
Sundries	16,072	106,112
Voluntary contributions - ABC Community Campaign (a)	<u>1,968</u>	<u>2,381</u>
	<u>1,621,431</u>	<u>7,217,683</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.		
3F Grants and / or donations		
Grants	-	-
Donations	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

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Note 4 Expenses	2023	2022
	\$	\$
4A Employee expenses		
Holders of office:		
- Salaries and wages (a)	969,935	995,551
- Superannuation	166,666	161,103
- Leave and other entitlements (b)	29,956	59,390
- Separation and redundancies	-	-
- Remote locality allowance	-	-
- Living away from home allowance	-	-
- Car allowance - NS	15,117	14,832
- Motor Vehicle - ANS	-	-
- Other employee benefits	-	386
Subtotal employee expenses holders of office	1,181,674	1,231,262
Employees other than office holders:		
- Salaries and wages (a)	16,004,877	16,296,103
- Superannuation	2,562,282	2,633,029
- Leave and other entitlements (b)	451,206	680,729
- Separation and redundancies	447,189	267,677
- Remote locality allowance	53,871	51,830
- Living away from home allowance	-	-
- Health & Wellbeing Allowance	11,936	5,195
- Other employee benefits	-	6,416
Subtotal employee expenses employees other than office holders	19,531,361	19,940,979
Total employee expenses	20,713,035	21,172,241
(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		
	2023	2022
	\$	\$
- Capitation fees	-	-
- Other expense to another reporting unit	-	-
Total capitation fees and other expense to another reporting unit	-	-
4C Administration expenses		
	2023	2022
	\$	\$
- Total paid to employers for payroll deductions of membership subscriptions	559	439
- Compulsory Levy - Field and Digital Organising State Election Levy (ALP WA)	-	4,528
- Fees/allowance - meeting and conferences	-	-
- Conference and meeting expenses	148,114	94,909
- Information communications technology	892,162	1,181,677
- Interest expense on lease liability	90,387	77,040
- Insurance	645,334	660,528
- Management fee	350,428	357,448
- Office expense	101,048	124,541
- Payroll tax	1,059,186	1,017,673
- Property expense	1,038,352	1,600,073
- Travelling expense	225,853	81,693
- Other expenses	661,739	465,976
	5,213,162	5,666,525

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4D Affiliation fees	2023	2022
	\$	\$
- Australian Council of Trade Unions	251,369	261,540
- Unions NSW	32,005	30,826
- SA Unions	14,141	15,330
- Queensland Council of Unions	42,040	42,604
- Unions ACT	67,773	55,984
- Unions NT	11,619	12,777
- Unions Tasmania	10,189	9,870
- Trades Hall Council VIC	46,462	44,932
- Unions WA	16,179	15,452
- Geelong Trades Hall Council	170	161
- Gippsland Trades & Labour Council	1,778	1,236
- Bendigo Trades Hall Council	580	400
- South West Trades & Labour Council Inc.	-	75
- Newcastle Trades Hall Council	1,847	1,757
- Queensland Council of Unions Cairns	110	-
- Queensland Council of Unions Townsville	100	100
- Queensland Council Of Unions - Toowoomba	110	220
- Queensland Council of Unions - Bundaberg	-	60
- SA May Day Collective	318	636
- ALP - VIC	40,243	40,381
- ALP - NSW	38,805	42,300
- ALP - QLD	32,347	29,723
- ALP - SA	12,217	12,030
- ALP - ACT	32,028	28,780
- ALP - NT	8,852	8,975
- ALP - WA	16,333	16,645
- ALP - TAS	4,380	4,096
- Public Services Internationale	42,509	43,023
- UNI Global Union	-	(38,364)
- APHEDA	3,581	2,805
- Prison Officers Association of Australasia	500	-
- AFTINET	-	300
Total affiliation fees	728,585	684,654

4E Grants & donations

	2023	2022
	\$	\$
Grants:		
Total paid that were \$1,000 or less in relation to CPSU Member Skills/Qualification Grant Program	-	733
Total paid that exceeded \$1,000 in relation to CPSU Member Skills/Qualification Grant Program	20,669	19,831
	20,669	20,564
Donations:		
Total expensed that were \$1,000 or less	1,086	1,000
Total expensed that exceeded \$1,000 (a)	-	128,466
	1,086	129,466
	21,755	150,030

(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 2023

4F Depreciation and amortisation

	2023	2022
	\$	\$
- Amortisation on right of use assets	910,366	894,804
- Buildings	347,067	251,366
- Leasehold improvements	444,740	461,433
- Plant and equipment	182,187	144,090
Total depreciation and amortisation	1,884,360	1,751,693

4G Remuneration of auditors

	2023	2022
	\$	\$
- Audit - current year	46,000	45,000
- Other services	19,265	15,905
	65,265	60,905

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

	2023	2022
	\$	\$
- Litigation	-	-
- Other legal costs	57,051	25,076
	57,051	25,076

4I Write-down and impairment of assets

	2023	2022
	\$	\$
Asset write-downs and impairments of:		
- Land and building	5,550,569	-
	5,550,569	-

4J Other expenses

	2023	2022
	\$	\$
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 2023

Note 5 Cash and cash equivalents

	2023	2022
	\$	\$
Cash on hand	-	-
Cash at bank	195,957	553,813
Short term deposits	2,052,505	4,254,034
	2,248,462	4,807,847
	2,248,462	4,807,847

Note 6 Trade and other receivables

	2023	2022
	\$	\$
Current		
Receivables from other reporting unit - CSIRO Staff Association (Note 25)	165,771	135,200
Less allowance for expected credit losses	-	-
Trade and other debtors	162,395	142,373
Owing by Shared Advantage Ltd	10,518	9,954
	338,684	287,527
	338,684	287,527

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

	2023	2022
	\$	\$
Prepayments	897,201	593,921
	897,201	593,921
	897,201	593,921

Note 8 Financial assets

	2023	2022
	\$	\$
Non-current		
Seed Funding to Shared Advantage Limited (a)		
- At cost	106,072	225,000
- Less provision for impairment loss	-	(85,000)
	106,072	140,000
Available-for-sale financial assets	41,558,341	37,747,134
	41,664,413	37,887,134
	41,664,413	37,887,134

(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 2023

Note 9 Property, plant and equipment

	2023	2022
	\$	\$
Land and buildings		
Freehold land and buildings including freehold improvement at independent valuation	25,450,000	840,000
Freehold land and buildings at cost	-	31,160,039
Less accumulated depreciation	-	(22,803)
Net land and buildings	25,450,000	31,977,236
Leasehold improvements		
At cost	1,822,779	1,845,650
Less accumulated depreciation	(517,593)	(897,604)
Net Leasehold Improvements	1,305,186	948,046
Plant and equipment		
At cost	1,717,618	1,762,672
Less Impairment	(318,789)	(318,789)
Less accumulated depreciation	(782,359)	(704,731)
Net plant and equipment	616,470	739,152
Website		
At cost	19,800	19,800
Less accumulated depreciation	(19,800)	(19,800)
Net website	-	-
Total land, buildings, plant and equipment	27,371,656	33,664,434

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. All properties fair value were 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.

2023

	Land and Buildings	Leasehold Improvements	Plant and Equipment	Website	Total
	\$	\$	\$	\$	\$
Balance at beginning of year	31,977,236	948,046	739,152	-	33,664,434
Additions	103,268	819,552	69,587	-	992,407
Disposal	(58,176)	(17,672)	(10,082)	-	(85,930)
Revaluation	(6,225,261)	-	-	-	(6,225,261)
Depreciation/Amortisation	(347,067)	(444,740)	(182,187)	-	(973,994)
Balance at the end of year	25,450,000	1,305,186	616,470	-	27,371,656

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

CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

Note 10A Right of use assets

	2023	2022
	\$	\$
At cost	4,524,986	4,510,824
Accumulated depreciation	(2,284,138)	(2,856,534)
	<u>2,240,848</u>	<u>1,654,290</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:

	Motor vehicle	Leasehold property	Other equipment	Total
	\$	\$	\$	\$
As at 1 July 2022	234,465	1,403,476	16,349	1,654,290
Additions	-	1,214,874	282,050	1,496,924
Depreciation	(126,931)	(641,480)	(141,955)	(910,366)
As at 30 June 2023	<u>107,534</u>	<u>1,976,870</u>	<u>156,444</u>	<u>2,240,848</u>

	Motor vehicle	Leasehold property	Other equipment	Total
	\$	\$	\$	\$
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>

CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

Note 10B Leases

	2023	2022
	\$	\$
Current	869,518	729,593
Non-current	1,537,340	1,137,358
Total	2,406,858	1,866,951

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 2022	237,387	1,612,171	17,393	1,866,951
Additions	-	1,214,874	282,050	1,496,924
Payments	(132,934)	(684,143)	(139,940)	(957,017)
As at 30 June 2023	104,453	2,142,902	159,503	2,406,858

The following are the amounts recognised in profit or loss:

	2023	2022
	\$	\$
Depreciation expense of right-of-use assets	910,366	894,804
Interest expense on lease liabilities	90,387	77,040
Expense relating to short-term leases	420,049	1,128,544
Total amount recognised in profit or loss	1,420,802	2,100,388

Note 11 Trade payables

	2023	2022
	\$	\$
Current		
Accounts payable and accruals	1,862,808	972,778

Note 12 Other payables

Incentive received in advance	-	8,073
Payables to other reporting unit - CSIRO Staff Association (Note 25)	-	-
Wages payable	-	444,368
GST payable	-	-
Payable to employers for making payroll deductions of membership subscriptions	-	-
Legal costs payable in relation to:		
- Litigation	-	-
- Other legal costs	22,585	4,000
	22,585	456,441

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 2023

Note 13 Other liabilities

	2023	2022
	\$	\$
Non-current		
Rental bond received	-	28,251
	-	28,251

Note 14 Provisions - employee benefits

	2023	2022
	\$	\$
Current		
Holders of office:		
Annual leave	154,618	151,256
Long service leave	320,963	333,273
Separation and redundancies	-	-
Other	-	-
	475,581	484,529
Employees other than office holders:		
Annual leave	1,765,820	1,957,630
Long service leave	2,480,879	2,461,894
Separation and redundancies	-	-
Other	-	-
	4,246,699	4,419,524
Total current provisions - employee benefits	4,722,280	4,904,053
Non-current		
Holders of office:		
Annual leave	-	-
Long service leave	-	-
Separation and redundancies	-	-
Other	-	-
	-	-
Employees other than office holders:		
Annual leave	-	-
Long service leave	159,604	170,935
Separation and redundancies	-	-
Other	-	-
	159,604	170,935
Total non-current provisions - employee benefits	159,604	170,935

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 25).

CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

Note 15 Commitments

(a) Operating lease commitments - as lessor	2023	2022
	\$	\$

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

- not later than 1 year	561,023	488,716
- later than 1 year but not more than 5 years	971,723	483,620
Balance at the end of the year	1,532,746	972,336

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 2023 the Union had no capital commitments (2022: NIL).

Note 16 Equity

16A General funds

	2023	2022
	\$	\$
Retained surplus at the beginning of the year	11,170,221	8,678,249
Surplus on General Fund transferred	-	-
Funds transferred	-	14,848
(Deficit)/Surplus for the year	(6,799,829)	2,477,124
Retained surplus at the end of the year	4,370,392	11,170,221

16B Reserves

	2023	2022
	\$	\$
Capital profits and asset revaluation reserve		
Balance bought forward	59,070,959	68,575,456
Unrealised gain/(loss) in investment	2,787,306	(9,578,747)
Asset revaluation (decrement)/increment	(674,692)	74,250
Balance carried forward	61,183,573	59,070,959

Death and benevolent fund

Balance bought forward	37,664	37,664
Fund used	(4,500)	-
Balance carried forward	33,164	37,664

Campaign fund

Balance bought forward	-	14,848
Transferred from general fund	-	(14,848)
Transferred to general fund	-	-
Balance carried forward	-	-

CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

Note 17 Cash flow information

	2023	2022
	\$	\$
(a) Cash flow reconciliation		
Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement:		
Cash and cash equivalents as per:		
Statement of cash flows	2,248,462	4,807,847
Statement of financial position	2,248,462	4,807,847
Difference	<u>-</u>	<u>-</u>
Reconciliation of cash flow from operations with operating surplus		
Operating (deficit)/surplus	(6,799,829)	2,477,124
Non cash flow in operating (deficit)/surplus:		
Reinvestment of dividend income (net of management fee)	(1,011,373)	(6,501,347)
Impairment loss on assets	5,550,569	-
Depreciation and amortisation	973,994	856,889
Loss on disposal of fixed assets	85,930	4,207
Depreciation on right of use assets	910,366	936,781
(Increase)/Decrease in trade debtors	(51,157)	7,075
(Increase)/Decrease in prepayments	(303,280)	(79,892)
(Increase)/Decrease in ROU assets	(1,496,924)	(960,547)
Increase/(Decrease) in lease liabilities	1,496,926	917,929
Increase/(Decrease) in provisions	(393,104)	320,430
Increase/(Decrease) in trade creditors and accruals	890,030	(481,537)
Increase/(Decrease) in other liabilities	(462,107)	(133,595)
Net cash used in operating activities	<u>(609,959)</u>	<u>(2,636,483)</u>
(b) Cash inflow information		
Cash inflows		
Shared Advantage Limited	-	-
CSIRO Staff Association	1,311,304	1,363,806
Total cash inflows	<u>1,311,304</u>	<u>1,363,806</u>
Cash outflows		
CSIRO Staff Association	(5,138)	(5,424)
Total cash outflows	<u>(5,138)</u>	<u>(5,424)</u>

CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

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

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

	2023	2022
	\$	\$
Short-term employee benefits		
Salary (including annual leave taken)	2,870,231	2,731,683
Annual leave accrued	225,856	225,115
Remote Localities Allowance	6,611	6,241
Living Away from Home Allowance	-	-
Total short-term employee benefits	3,102,698	2,963,039
Post-employment benefits		
Superannuation	455,478	437,505
Total post-employment benefits	455,478	437,505
Other long-term benefits		
Long service leave	62,476	45,451
Total other long-term benefits	62,476	45,451
Termination benefits	34,520	-
Total	3,655,172	3,445,995

CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
NOTES TO THE FINANCIAL STATEMENTS
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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 2023. (2022: 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 is 30 June 2023 is limited to cash and term deposits of \$2,248,462.

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 \$338,684 and seed funding \$106,072 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

	2023	2022
	\$	\$
Financial assets		
At amortised cost:		
Cash and cash equivalents	2,248,462	4,807,847
Trade and other receivables	338,684	287,527
Seed funding	106,072	140,000
	2,693,218	5,235,374
Fair value through other comprehensive income:		
Available-for-sale assets	41,558,341	37,747,134
Carrying amount of financial assets	44,251,559	42,982,508
Financial liabilities		
Other financial liabilities:		
Trade payables	1,862,808	972,778
Other payables	22,585	456,441
Carrying amount of financial liabilities	1,885,393	1,429,219

CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

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

	2023	2022
	\$	\$
Lease Liabilities		
Interest expense on lease liabilities	(90,387)	(77,040)
Held-to-maturity		
Interest revenue	55,933	20,558
Available-for-sale financial assets		
Dividend income	1,277,880	6,752,751
Management fee rebate	131,342	135,348
Management fee	(350,428)	(357,448)
Net income from financial assets and financial liabilities	1,024,340	6,474,169

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 2023

	0 - 1 year	1- 2 years	2- 5 years	>5 years	Total
	\$	\$	\$	\$	\$
	869,518	559,735	977,605	-	2,406,858
Total	869,518	559,735	977,605	-	2,406,858

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
Total	729,593	492,905	644,453	-	1,866,951

Note 21E Market risk

Interest rate risk

Sensitivity analysis of the risk that the entity is exposed to for 2023

	Change in risk variable %	Effect on	
		Profit and loss	Equity
		\$	\$
Interest rate risk	1%	22,000	22,000
Interest rate risk	-1%	(22,000)	(22,000)

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)

CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

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:

	Carrying Amount 2023 \$	Fair Value 2023 \$	Carrying Amount 2022 \$	Fair Value 2022 \$
Financial assets				
Cash	2,248,462	2,248,462	4,807,847	4,807,847
Receivables	338,684	338,684	287,527	287,527
Seed Funding	106,072	106,072	140,000	140,000
Available-for-sale assets	41,558,341	41,558,341	37,747,134	37,747,134
Total	44,251,559	44,251,559	42,982,508	42,982,508
Financial liabilities				
Trade payables	1,862,808	1,862,808	972,778	972,778
Other payables	22,585	22,585	456,441	456,441
Total	1,885,393	1,885,393	1,429,219	1,429,219

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

Fair value hierarchy - 30 June 2023

	Date of valuation	Level 2 \$
Assets measured at fair value		
Property	30/06/2023	25,450,000
Total		25,450,000

Fair value hierarchy - 30 June 2022

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

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 2023

Note 23 Contingent liabilities

	2023	2022
(a) Guarantees	\$	\$
Bank Guarantees	318,709	397,343
	318,709	397,343
	318,709	397,343

Note 24 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 25 Transactions with CSIRO Staff Association

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

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 CSPU - 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.

Note 26 Events after the reporting period

There has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the Union, the results of those operations, or the state of affairs of the Union in subsequent financial periods.

**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 2023.

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 15 day of November 2023