



Fair Work
Commission

23 January 2025

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

Sent via email: kathryn.landsberry@cpsu.org.au

CC: rhutton@mcdb.com.au

Dear Melissa Donnelly

**CPSU, the Community and Public Sector Union-PSU Group
Financial Report for the year ended 30 June 2024 – FR2024/82**

I acknowledge receipt of the financial report for the year ended 30 June 2024 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 29 November 2024.

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

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*

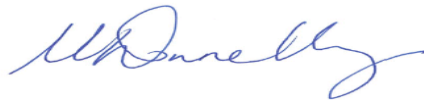
Certificate by prescribed designated officer

Certificate for the year ended 30 June 2024

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 22 November 2024; and
- that the full report was presented to the committee of management of the reporting unit on 22 November 2024 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: 28/11/2024

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Review of principal activities

Over 2023–2024 the Community and Public Sector Union (CPSU) has continued to deliver for members in bargaining, workplaces and broader public and community campaigns. Over the year, union members across our union have been involved in a wide range of activities, our membership has continued to grow, the number of workplace delegates has increased, and we've secured important industrial outcomes.

We have met the challenge of bargaining across many employers, securing new agreements across the APS with common terms that deliver on the issues that members identified as their priorities in the lead up to bargaining, including working from home, flexible work arrangements, action on pay equity, improved paid parental leave, and stronger consultation rights.

Our public and community campaigning around public sector staffing and job security has achieved significant movement to wind back the use of contractors and consultants, increase public sector staffing, and ensure public sector work is done by public sector workers.

Over the 2023–24 financial year, CPSU membership has continued to grow. In addition, 432 members have become workplace delegates. As a result, our union is well placed to continue to deliver the outcomes that matter to our members.



Delivering for members in bargaining

APS bargaining

In November 2023 the CPSU reached agreement on a service-wide bargaining outcome in the APS for the first time since the 1990s.

Service-wide bargaining allowed the union to achieve the most significant improvement to APS conditions in over 30 years, and gave members a stronger voice across the APS.

Our APS-wide bargaining campaign put CPSU members and delegates at the centre, with thousands of new members joining the union, hundreds of delegates taking on leadership roles, and tens of thousands providing their input and direction through surveys, polls, workplace activities and taking part in industrial action.

Agency ballot results reflected the high engagement of members in the campaign, with very high employee support for CPSU negotiated agreements.

Member-led activity and campaigning has resulted in landmark improvements to a range of conditions that are now common to all APS agreements, including:

- Industry leading flexible work and work from home rights.
- Strong consultation provisions, and for the first time ever, an APS wide consultative committee so members can influence issues of significance across the APS.
- The return of job security protections to enterprise agreements, 25% casual loading, reviews of casual employment.
- 18 weeks' paid parental leave for both parents.
- Improvements for First Nations employees, such as including kinship in the definition of family, connection to country considered in requests for flexible work, the inclusion of indigenous languages in community language allowance, and cultural competency training.

- Workload reviews and Executive Level TOIL established across the APS for the first time.
- No cuts to existing conditions, improved dispute resolution, and broader leave entitlements.

The new agreements also include important movement towards pay equity, with significant increases to the pay of employees in low-paid and Indigenous agencies.

Alongside APS-wide negotiations, bargaining at the agency level involved almost 200 workplace delegates on agency bargaining teams. Gains on a number of agency specific matters included the right to disconnect, improvements to broadbanning processes, new and improved allowances, improvements in study leave, improvements to performance management clauses, international travel provisions, diversity provisions, sabbatical leave, improvements to flex time procedures, cashing out of flex, an increase in the availability of EAP sessions, an increase in school holiday care and healthy lifestyle allowances by CPI, a decrease in hours of work from 38 to 37.5 per week, improvements to overtime rates, various claims relating to operational workforces, including rostering and scheduling, allowances, restriction allowance, minimum notice for periods of duty, and cadets.



Delivering for members in the workplace

Implementing new agreement rights in the APS

Following the approval of new APS agreements, the union's work has focused on educating and empowering members to access their new rights, and to support them where needed to enforce entitlements.

Fact sheets and guides to new common conditions were developed immediately following the conclusion of APS wide negotiations and made available to members in workplaces and through the CPSU website.

A series of webinars on key topics gave members the opportunity to hear more detailed information on key rights and conditions, as well as the ability to ask questions and raise issues for follow up. Webinar topics include paid parental leave, First Nations employment, flexible work and working from home, cultural leave, EL TOIL, and consultation rights. Further webinars on key topics are scheduled for the 2024/25 financial year.

These webinars have been very popular, with thousands of members attending and hundreds of non-members indicating an interest in joining the union to attend.

CPSU materials and guidance have assisted members in enforcing their new rights, including successfully pushing back on employer misinterpretation of flexible work rights and some early attempts to implement informal caps on working from home.

Giving members a say across the APS

Campaigning by the CPSU saw the establishment of an APS wide consultative committee for the first time. This is an historic opportunity for union members to be involved in the big issues that affect the APS as a whole.

CPSU members provided feedback on their priority issues for the APS consultative committee and set a positive agenda for our representatives on the committee. Priorities include ensuring newly won enterprise agreement conditions are followed in practice, preparing for the next round of bargaining, improvements to APS recruitment practices, secure jobs in the APS, addressing APS capability, including critical skills gaps, diversity in the APS, a union voice in APS reform, integrity in decision-making, and work health and safety.

The first meeting of the APS consultative committee on 25 June covered Aboriginal and Torres Strait Islander employment and cultural competency training, and Respect@Work.

The CPSU is tracking progress on members' priorities issues in an APS Consultative Committee scorecard, available to members on the CPSU website, and will continue to seek members' input and involvement on topics for discussion.



Giving members a say in their agencies

The CPSU has supported workplace delegates to access and enforce their rights, including using all staff email to keep workers informed and engaged on issues that affect them.

The CPSU has secured improvements to consultation rights in enterprise agreements, giving members a voice on workplace matters before decisions are made. To support delegates representing CPSU members on consultative committees, the CPSU has prepared materials on key issues, including insourcing and staffing numbers, Individual Flexibility Arrangements, casual conversion, Respect@ Work, disability leave, supported wages, cultural and linguistic diversity, and monitoring uptake of EL TOIL and flexible work provisions.

These materials support the important work of CPSU representatives to advocate for and empower members in their workplaces to make a real difference on the issues that matter to them.

Member networks

CPSU member networks have continued to be active on a range of important matters, including:

- Cultural and Linguistic Diversity Network
- Queer Network
- Accessibility Network

These networks give members the ability to become active on specific issues they care about and work together to identify opportunities and develop campaign and policy ideas to win outcomes for members.

Empowering workplace delegates

CPSU workplace delegates are the first point of contact for most union members and play a vitally important role in building union power, supporting members, and getting outcomes on issues that matter.

Support for our delegates has been a key focus throughout the year, including providing training for delegates, running delegate forums and meetings and supporting new delegates in their leadership role.

In 2023–2024, 363 delegates attended training courses and forums, including 171 new delegates who completed the Delegate Foundations course.

Monthly delegate forums continued to prove popular with delegates from across the union meeting online. These forums are informal and provide the opportunity for delegates to network with one another and share stories and tips on topics such as representing members, engaging with management and recruitment.

First Nations workers

Through our National Aboriginal and Torres Strait Islander Council (NATSIC), the CPSU did extensive work identifying claims of importance to Aboriginal and Torres Strait Islander workers for inclusion in bargaining campaigns.

These include clauses to expand definitions of family to include kinship, connection to country as a factor in approving flexible work and remote working arrangements, and paid cultural and ceremonial leave entitlements.

Our APS bargaining campaign delivered significant movement on these matters, with improvements to ceremonial leave and NAIDOC leave, as well as First Nations-specific improvements to entitlements like flexible work requests.



Work health and safety

Our union's campaigning on matters of work health and safety (WHS) has expanded through our Safety First Network, bringing together health and safety representatives (HSRs) to share experiences and approaches to raising and resolving WHS matters.

In 2023–24, the CPSU designed and delivered a comprehensive 8 week training program for more than 65 staff members, building the skills and knowledge to effectively campaign on WHS issues with CPSU delegates and HSRs. Delegate Training also includes a session on WHS, focusing on health and safety fundamentals and the value in working in collaboration with HSRs on workplace campaigns.

Our support for HSRs has significantly increased our capacity to identify and resolve health and safety issues as well as pay a proactive role in improving policies and procedures through health and safety committees and consultative arrangements.

We have had a series of significant wins over the year in addressing workload issues and psychosocial risks to workers through WHS organising. This is important work that we will continue to build on through our strong union involvement on health and safety.

Member Service Centre

Representing members' individual industrial interests is a core function of the Member Service Centre team, as well as our organising teams, and the legal and industrial unit. Through effective identification and representation, we improve our members' working lives.

From 1 July 2023 until 30 June 2024 the MSC provided advice, support and representation to 6,307 members, provided advice and support to 615 delegates and assisted 102 health and safety representatives.

During the 2023–24 financial year assisting member with working from home, and flexible work conditions, remained the most prominent issue. This was followed up by Code of Conduct matters, bullying and harassment issues, performance agreements and assistance with Workers Compensation.

Changes to the laws that govern fixed term contracts along with casual conversion requests continue to generate opportunities for CPSU to advocate on behalf of our members who are affected.

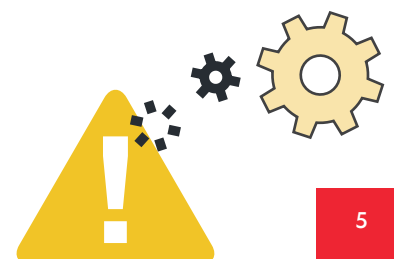
Professional development and online education content

Members and delegates have continued to access Aspire for free online learning and professional development content. Aspire offers self-paced online courses and recordings of live webinars in a range of professional development areas such as planning to reach goals and communication skills.

All of our live webinars on APS common terms have been recorded, with the videos available on Aspire to watch on demand shortly following the live events. Aspire is now the most visited page on the CPSU website, after the My Profile member portal area.

The CPSU is working with external organisations to co-deliver more content for Aspire, including super sessions with the Commonwealth Superannuation Corporation, and courses to assist members with applying for promotions and advancing their careers.

Aspire helps support provide additional value to members by assisting them with career development and in understanding and accessing their rights.



Delivering for members in public and community campaigns

CPSU members have continued to actively engage in public and community campaigning to build public support on our members' issues.

Rebuilding APS capability and capacity

Rebuilding APS capability and capacity, including through more secure public sector jobs, has been a key priority for the CPSU for a number of years.

Throughout 2023–24, the CPSU has secured significant wins in this space. The announcement of more than 17,000 new secure public service jobs in the May 2024 federal budget, including the conversion of almost 9,000 labour hire employees, will go a long way in rebuilding our public services.

The Strategic Commissioning Framework established in October 2023 sets up a process for ensuring core work of the APS is done by APS employees. This is a significant move to winding back the use of outsourcing across the APS.

Under the framework there will be further opportunities for insourcing, reducing the reliance on contractors, consultants and labour hire roles and rebuilding APS capability.

Alongside pushing for the continued reduction of government use of consultancies, we are also continuing to advocate for adequate regulation of consulting firms, including through our recent submissions into the Senate Inquiry into management and assurance of integrity by consulting services and into the Treasury consultation on the Response to PwC regulation of accounting, auditing and consulting firms in Australia.

While these outcomes have delivered substantial progress, there is still much to do, and the CPSU will continue its campaigning to rebuild public sector capacity and ensure public sector agencies have the staffing and funding required.

Bring back the CES

Throughout 2023–24, our “Bring back the CES” has continued to campaign to end for-profit employment services, suspend mutual obligations and rebuild a public sector role in the provision of employment services with our Bring Back the CES campaign.

CPSU played a key role in the House Select Committee inquiry into employment services. The Committee's report 'Rebuilding Employment Services', released in November 2023, contains recommendations that mark significant progress for our campaign, including that a new CES System be developed including the establishment of Employment Services Australia to provide digital services, job seeker assessment, referrals and some case- management.

The report also recommended the establishment of an independent regulator, reform to the punitive mutual obligations system, and increased regional services.



Our ongoing campaign is focussed on continuing to grow public support and understanding of the issues, as well as working with allies in this space, to build broad support for our reform agenda.

Services Australia staffing

CPSU has consistently been campaigning on the issue of understaffing in Services Australia, including through media, lobbying, and working with civil society allies .

In November 2023, there was a step forward in our campaign, with the Government investing \$228 million into Services Australia, including 3,000 additional frontline staff. The May 2024 budget ensured ongoing funding for those jobs.

The CPSU continues to monitor workloads, wait times and processing backlogs in Services Australia and advocate to ensure staffing levels are adequate to meet demand and deliver high quality services .

Robodebt

The ongoing fallout from investigations into the Robodebt program has highlighted the important work of CPSU delegates and members in Services Australia in raising the alarm on the scheme's flaws, and the urgent need for reform to prevent anything similar occurring again.

The CPSU's advocacy on these matters has established us as a credible voice on both the failures in the scheme, and the changes needed into the future.

In July 2023, following extensive hearings and expert evidence from CPSU representatives, the Royal Commission handed down its report, including 57 recommendations fully supported by the CPSU.

CPSU members remain frustrated and distressed by the lack of accountability for those at the highest levels of responsibility. The CPSU continues to advocate for appropriate reforms to be implemented, as well as meaningful consequences for those responsible for the scheme's myriad failures.

The Voice to Parliament referendum

In October 2023, Australia voted in the Voice to Parliament Referendum.

Aboriginal and Torres Strait CPSU members overwhelmingly supported CPSU campaigning for a Yes vote with 87% support. CPSU Governing Council ratified this position.

CPSU campaigned strongly alongside the broader union movement for the YES23 campaign, holding workplace activities, community events, making phone calls to undecided voters, and having conversations with colleagues and friends.

The disappointing result doesn't take away that CPSU members volunteered their time and energy – many for the first time on Aboriginal and Torres Strait Islander issues. Our engagement demonstrated strong support across our membership for a Yes vote, and there is resolve to further the full aims of the Uluru Statement from the Heart-Voice, Treaty and Truth Telling.



Governance and financial matters

Number of staff and members

The CPSU employed 197 staff equating to 172.15 Full Time Equivalent as at 30 June 2024. As at 30 June 2024 the CPSU had 44,864 members. This figure includes members of the CSIRO Staff Association, which had 2,268 members at 30 June 2024.

Financial result

The financial year ending 30 June 2024 results were underpinned by remarkable membership growth and supplemented by a restraint in spending while actively managing our staffing resources, which account for most of our expenditure.

Our membership growth resulted in subscription income exceeding budget by a significant 4.6%. Despite the increase in membership growth, we continue to experience some downward pressure on income due to the impact of the cost of living on members, resulting in a high volume of declined membership payments. We continue to support members experiencing financial difficulty through fee reductions and waivers.

The commercial property market has adversely affected our rental income, which was less than the budget by 19.2%. The Sydney CBD market is experiencing high vacancy rates and is offering large incentives to prospective tenants. This has a flow-on effect to the city fringe market, which we expect to abate in the coming year. Site and facilities expenses were 6.8% lower than budget, primarily due to decreased depreciation expenses for CPSU's Surry Hills property partially offset by air conditioning and maintenance costs.

Operating expenses for the year were in line with the budget (0.05% variance). Salaries accounted for 82% of total operating expenses and through effective staffing management, including leave utilisation, our largest area of spending was in line with the budget allocation. We continue to review and assess other areas of operational spending, such as travel, insurance, and IT systems, to achieve savings where possible.

Movements in asset valuation will continue to affect the union's financial results in the short term. However, over the long term, the union is well-placed to achieve sustainable returns on its investments. Our two significant investments are the property in Surry Hills and our Russell Investments Long-Term Portfolio.

CPSU's long-term investment portfolio has fluctuated over the year in line with global market conditions and was affected by central bank interest rates, inflation and some international currency volatility. The portfolio has performed positively over the year through re-invested dividends and an increase in value. Overall the portfolio contributed \$4.06M to our comprehensive income for the financial year.

Sydney's commercial real estate market conditions also impacted the value of our Surry Hills property, which booked a decrement of \$3.37M. While this is disappointing, we have no plans to sell the property or realise this decrement. The increase in our long-term investment portfolio has more than offset this decrement, highlighting the importance of the decision to diversify our investments.

CPSU's equity as of 30 June 2024 stood at \$66.1M with cash reserves of \$1.1M, CPSU's Russell Investment Long term Portfolio of \$45.1M and property, plant and equipment of \$23.6M.

Governance

The CPSU maintains high standards of governance and accountability.

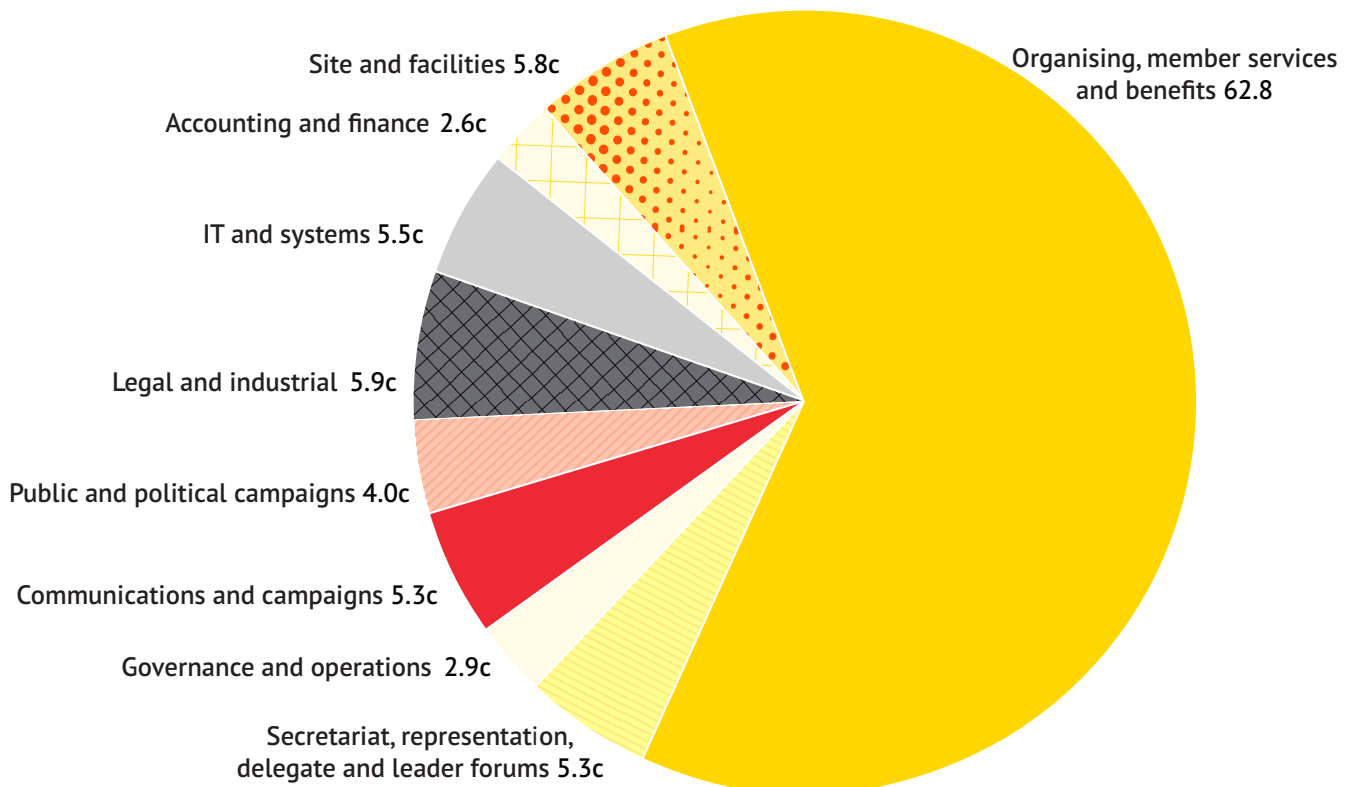
All officials and staff are expected to maintain the utmost integrity and professionalism when representing or acting on behalf of the union. Our delegates, who are volunteers doing their union work alongside their everyday jobs, are encouraged to do the same.

The union has detailed policies and processes to appropriately manage all financial and governance arrangements and decisions.

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

| Officer | Position held | Period in office |
|----------------------|---|--|
| Melissa Donnelly | National Secretary | 01/07/2023–30/06/2024 |
| Michael Tull | Assistant National Secretary | 01/07/2023–31/12/2023 |
| Beth Vincent-Pietsch | Deputy Secretary Deputy National President | 01/07/2023–31/12/2023 01/01/2024–30/06/2024 |
| Brooke Muscat | National President | 01/07/2023–30/06/2024 |
| Melissa Payne | Deputy National President Assistant National Secretary | 01/07/2023–31/12/2023 01/01/2024–30/06/2024 |
| Matthew Harrison | Deputy National President | 01/07/2023–30/06/2024 |
| Rebecca Fawcett | Deputy Secretary | 01/01/2024–30/06/2024 |

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

Fees received as a result of an official sitting on a board are paid to the CPSU PSU Group and not retained by the individual. Where it is compulsory that fees are paid to the individual, they are repaid to the CPSU PSU Group via a payroll deduction from the individual's gross pay.

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.
- Beth Vincent-Pietsch, Director of Telstra Super.

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*.



Melissa Donnelly
National Secretary

7 November 2024



Attachment A – Remuneration breakdown

PSU GROUP AND NOC OFFICER AND RELATED PARTY DISCLOSURE FINANCIAL YEAR ENDING 30/06/2024

| Officer | Period in Office | Remuneration | | | | | | | Relevant non-cash benefits | | | Total |
|---------------------|-------------------------|---|---------------|---------------|--------------------|------------------|-----------------|--------------------|----------------------------|----------------------------------|---|-------|
| | | Salary Received Including Leave Taken and Higher Grade Duties Allowance (where applicable) [^] | Allowances* | Fees** | Separation benefit | Leave cashed out | Superannuation~ | Total remuneration | Type ~~~ | Total Relevant non-cash benefits | Relevant Remuneration and non-cash benefits | |
| Melissa Donnelly | 01/07/2023 – 30/06/2024 | 108,314 | 15,190 | 80,410 | - | - | 42,938 | 246,852 | Insurance | 1,328 | 248,180 | |
| Michael Tull | 01/07/2023 – 31/12/2023 | 80,122 | - | - | - | - | 12,339 | 92,461 | Vehicle & Insurance | 6,755 | 99,215 | |
| Beth Vincent-Pietch | 01/07/2023 – 30/06/2024 | 144,754 | - | - | - | 5,513 | 25,942 | 176,208 | Insurance | 803 | 177,012 | |
| Brooke Muscat | 01/07/2023 – 30/06/2024 | 151,718 | - | - | - | 2,889 | 23,810 | 178,417 | Insurance | 982 | 179,399 | |
| Melissa Payne | 01/07/2023 – 30/06/2024 | 154,553 | 8,059 | - | - | 5,513 | 31,809 | 199,934 | Insurance | 1,069 | 201,003 | |
| Matthew Harrison | 01/07/2023 – 30/06/2024 | 144,754 | - | - | - | - | 22,292 | 167,046 | Insurance | 760 | 167,806 | |
| Rebecca Fawcett | 01/01/2024 – 30/06/2024 | 64,707 | - | - | - | 5,829 | 10,863 | 81,399 | Insurance | 277 | 81,676 | |
| Sindy Ealy | 01/07/2023 – 31/12/2024 | 68,981 | - | - | - | 2,576 | 10,503 | 82,061 | Insurance | 399 | 82,460 | |
| Jocelyn Gammie | 01/01/2024 – 30/06/2024 | 65,330 | - | - | - | - | 10,131 | 75,461 | Insurance | 531 | 75,992 | |
| Total | | 983,232 | 23,249 | 80,410 | - | 22,320 | 190,627 | 1,299,838 | - | 12,904 | 1,312,742 | |

CSIRO Section Disclosure

| | | | | | | | | | | | |
|-------------|-------------------------|---------|---|---|---|-----|--------|---------|-----------|-----|---------|
| Susan Tonks | 01/07/2023 – 30/06/2024 | 135,309 | - | - | - | 198 | 20,868 | 156,375 | Insurance | 530 | 156,905 |
|-------------|-------------------------|---------|---|---|---|-----|--------|---------|-----------|-----|---------|

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

** Fees received as a result of an official sitting on a board are paid to the CPSU PSU Group and not retained by the individual. Where it is compulsory that fees are paid to the individual they are repaid to the CPSU PSU Group via a payroll deduction from the individuals gross pay.

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

~~ Salary Continuance and Group Life and Total and Permanent Disablement Insurance is provided to all Staff and Officials of the Union.

Where an official has moved from a staff position to an elected position, and the staff pay rate is higher than the officials pay rate, salary maintenance applies.

Annual Financial Report for the Year Ended 30 June 2024

CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP

**Annual Financial Report For The Year Ended
30 June 2024**

CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
30 June 2024

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

Opinion

I have audited the financial report of CPSU, The Community and Public Sector Union, PSU Group ("the Union"), which comprises the consolidated statement of financial position as at 30 June 2024 and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes comprising a summary of material accounting policies and other explanatory information, the Committee of Management's statement and the subsection 255(2A) report and the Officer Declaration Statement of the Reporting Unit.

In my opinion the accompanying financial report of the Union presents fairly, in all material respects, the entity's financial position as at 30 June 2024 and their financial performance and their cash flows for the year then ended in accordance with:

- (i) Australian Accounting Standards; and
- (ii) 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 Committee of Management's use of the going concern basis in the preparation of the financial statements of the Reporting Unit 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 Reporting Unit in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Committee's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (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 the Financial Report and Auditor's Report Thereon

The Committee of Management of the Union 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 the 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.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
(CONTINUED)**

Responsibilities of the Committee of Management for the Financial Report

The Committee of Management of the Union is responsible for the preparation and fair presentation of the financial report 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 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 relating to going concern and using the going concern basis of accounting unless the Committee of Management either intends to liquidate the Reporting Unit or to cease operations, or has 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 Australian Auditing Standards, I exercise professional judgment 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 Reporting Unit'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's 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 Reporting Unit'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 Reporting Unit 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 Reporting Unit to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the Reporting Unit's audit. I remain solely responsible for my audit opinion.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
(CONTINUED)**

Auditor's Responsibilities for the Audit of the Financial Report (Continued)

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.

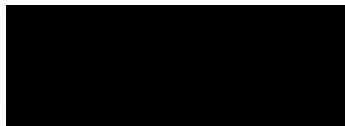
Report on Other Legal and Regulatory Requirements

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.

I did not identify any matters to report in this regard.

McLean Delmo Bentleys Auditor Pty Ltd.

McLean Delmo Bentleys Audit Pty Ltd



**Rod Hutton
Partner**

Hawthorn
8 November 2024

Registration number (as registered by the RO Commissioner under the RO Act): AA2017/52

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
REPORT REQUIRED UNDER SUBSECTION 255(2A)
FOR THE YEAR ENDED 30 JUNE 2024**

The Committee of Management presents the expenditure report as required under subsection 255(2A) on the Union for the year ended 30 June 2024.

| Categories of expenditures | 2024 | 2023 |
|--|-------------------|-------------|
| | \$ | \$ |
| Remuneration and other employment-related costs and expenses - employees (a) | 22,378,679 | 20,717,516 |
| Advertising | 41,033 | 34,115 |
| Operating costs | 6,169,293 | 5,989,906 |
| Donations to political parties | 4,368 | 266 |
| Legal costs | 83,097 | 57,051 |

(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



 Melissa Maggioros (Payne)
 Assistant National Secretary

Dated at Sydney, this ^{5th} day of October 2024

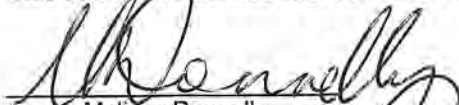
**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
COMMITTEE OF MANAGEMENT STATEMENT
FOR THE YEAR ENDED 30 JUNE 2024**

On ^{2nd} October 2024 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 2024:

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 General Manager; 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


Melissa Maggioros (Payne)
Assistant National Secretary

Dated at Sydney, this 5th day of October 2024

CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2024

| | Note | 2024 \$ | 2023 Restated \$ |
|---|----------|---------------------|------------------------|
| Revenue from contracts with customers | 3 | | |
| Membership subscriptions | | 28,669,180 | 24,975,540 |
| Capitation fee and other revenue from another reporting unit | 3A | 108,716 | 95,700 |
| Compulsory levies | 3B | - | - |
| Revenue from recovery of wages activities | | - | - |
| Total revenue from contracts with customers | | <u>28,777,896</u> | <u>25,071,240</u> |
| Income for furthering objectives | 3 | | |
| Grants and / or donations | 3F | - | - |
| Income recognised from volunteer services | | - | - |
| Other Income | | | |
| Interest received | 3C | 85,670 | 58,179 |
| Rental revenue | 3D | 663,398 | 685,349 |
| Other income | 3E | 2,652,659 | 1,621,431 |
| Total other income | | <u>3,401,727</u> | <u>2,364,959</u> |
| Total income | | <u>32,179,623</u> | <u>27,436,199</u> |
| Expenses | | | |
| Employee expenses | 4A | (22,380,508) | (20,717,781) |
| Capitation fees and other expense to another reporting unit | 4B | - | - |
| Administration expenses | 4C | (5,374,620) | (5,209,729) |
| Affiliation fees | 4D | (758,853) | (728,585) |
| Grants or donations | 4E | (15,352) | (21,755) |
| Depreciation and amortisation | 4F | (1,593,494) | (1,884,360) |
| Audit fees | 4G | (56,302) | (65,265) |
| Legal costs | 4H | (83,097) | (57,051) |
| Other expenses from ordinary activities | 4I | - | - |
| Total expenses | | <u>(30,262,226)</u> | <u>(28,684,526)</u> |
| Net surplus/(deficit) for the year | | <u>1,917,397</u> | <u>(1,248,327)</u> |
| Other comprehensive income | | | |
| Items that will not be subsequently reclassified to profit or loss: | | | |
| - Unrealised gain/(loss) in investment | | 1,969,672 | 2,787,306 |
| - Revaluation (decrement)/increment in land & building | | (3,373,729) | (6,225,261) |
| Total comprehensive income for the year | | <u>513,340</u> | <u>(4,686,282)</u> |

The accompanying notes form part of these financial statements.

CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024

| | Note | 2024 \$ | 2023 Restated \$ |
|--------------------------------------|------|-------------------|------------------------|
| Assets | | | |
| Current assets | | | |
| Cash and cash equivalents | 5 | 1,133,395 | 610,933 |
| Trade and other receivables | 6 | 307,761 | 328,368 |
| Other current assets | 7 | 940,424 | 897,201 |
| Financial assets | 8 | 1,818,048 | 1,753,547 |
| Total current assets | | 4,199,628 | 3,590,049 |
| Non-current assets | | | |
| Financial assets | 8 | 45,120,503 | 41,558,341 |
| Property, plant and equipment | 9 | 23,610,555 | 27,371,656 |
| Right of use assets | 10A | 2,048,354 | 2,240,848 |
| Total non-current assets | | 70,779,412 | 71,170,845 |
| Total assets | | 74,979,040 | 74,760,894 |
| Current liabilities | | | |
| Trade payables | 11 | 1,514,732 | 1,862,808 |
| Other payables | 12 | 30,000 | 22,585 |
| Lease Liabilities | 10B | 654,816 | 869,518 |
| Provisions - employee benefits | 13 | 5,010,577 | 4,722,280 |
| Total current liabilities | | 7,210,125 | 7,477,191 |
| Non-current liabilities | | | |
| Lease Liabilities | 10B | 1,529,724 | 1,537,340 |
| Provisions - employee benefits | 13 | 139,092 | 159,604 |
| Total non-current liabilities | | 1,668,816 | 1,696,944 |
| Total liabilities | | 8,878,941 | 9,174,135 |
| Net assets | | 66,100,099 | 65,586,759 |
| Equity | | | |
| General fund balance | 15A | 11,837,988 | 9,920,591 |
| Reserves | 15B | 54,262,111 | 55,666,168 |
| Total equity | | 66,100,099 | 65,586,759 |

The accompanying notes form part of these financial statements.

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2024**

| | Asset Revaluation Reserve \$ | Financial assets at fair value through other comprehensive income reserve \$ | Death and Benevolent Fund \$ | General Fund \$ | Total \$ |
|---|---------------------------------------|---|---------------------------------------|-----------------------|-------------------|
| Balance at 1 July 2022 | 70,482,429 | (11,411,470) | 37,664 | 11,168,918 | 70,277,541 |
| Unrealised gain in investment | | 2,787,306 | - | - | 2,787,306 |
| Asset revaluation decrement (restated) | (6,225,261) | - | - | - | (6,225,261) |
| Funds utilised | | | (4,500) | - | (4,500) |
| Net deficit for the year (restated) | - | - | - | (1,248,327) | (1,248,327) |
| Balance at 30 June 2023 (restated) | <u>64,257,168</u> | <u>(8,624,164)</u> | <u>33,164</u> | <u>9,920,591</u> | <u>65,586,759</u> |
| Unrealised gain in investment | | 1,969,672 | - | - | 1,969,672 |
| Asset revaluation decrement | (3,373,729) | - | - | - | (3,373,729) |
| Net surplus for the year | - | - | - | 1,917,397 | 1,917,397 |
| Balance at 30 June 2024 | <u>60,883,439</u> | <u>(6,654,492)</u> | <u>33,164</u> | <u>11,837,988</u> | <u>66,100,099</u> |

The accompanying notes form part of these financial statements.

CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2024

| | Note | 2024 \$ | 2023 Restated \$ |
|---|--------------|------------------|------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts from members and others | | 31,348,368 | 27,741,988 |
| Receipts from other reporting units/controlled entities | 16(b) | 1,440,964 | 1,311,304 |
| Payments to suppliers | | (8,828,951) | (8,297,471) |
| Payments to other reporting units/controlled entities | 16(b) | (4,906) | (5,138) |
| Payments to employees | | (22,112,723) | (20,911,000) |
| Interest received | | 24,275 | 58,179 |
| Interest paid on lease liabilities | | (120,000) | (90,387) |
| Lease payments not included in the measurement of lease liabilities | | (435,258) | (420,049) |
| Net cash used in operating activities | 16(a) | 1,311,769 | (612,574) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Payment for property, plant and equipment | | (307,065) | (992,407) |
| Net transfers (to)/from bank term deposits | | (64,501) | 440,974 |
| Sale of investments | | 500,000 | - |
| Receipts from other reporting units/controlled entities | 16(a) | - | - |
| Net cash used in investing activities | | 128,434 | (551,433) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Payment for lease liabilities | | (917,741) | (957,019) |
| Net cash used in financing activities | | (917,741) | (957,019) |
| Net decrease in cash held | | 522,462 | (2,121,026) |
| Cash at beginning of financial year | | 610,933 | 2,731,959 |
| Cash at end of financial year | 5 | 1,133,395 | 610,933 |

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 2024

Note 1 Statement of material 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 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) Parent entity information

These financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 24.

(b) Principles of consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent entity ("the parent") and its subsidiaries. Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Details of the subsidiary are provided in Note 25.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

(c) Going concern

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

(d) Comparative amounts

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

CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

(e) 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.

(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).

(f) 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 2024. 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.

(g) 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.

CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

(h) 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.

(i) 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 23)

(j) 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.

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

(k) 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.

(l) 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.

CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

(l) Revenue (Cont'd)

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.

(m) 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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(n) 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.

(o) 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.

(p) Financial instruments

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

(q) 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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(q) 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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(q) 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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(r) 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.

(s) 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.

(t) 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
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(u) 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 | |
|-----------------------------|-------------------|-------------|
| | 2024 | 2023 |
| 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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(v) 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.

(w) 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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(x) Prior period adjustment

Correction of Reserves

During the financial year the Union reviewed reserve balances and it was determined that the asset revaluation reserve included previous revaluations increments for the asset class land and buildings. In accordance with the accounting policies outlined in Note 1(u), it was determined that the revaluation decrement for land and buildings in the prior year should have been recognised in other comprehensive income as opposed to the profit and loss. As a result, an adjustment was made to correct the \$5,550,569 previously recognised in the profit and loss to other comprehensive income for the year ended 30 June 2023. The impact of this prior period adjustment on the previously reported Consolidated Statement of Comprehensive Income and Consolidated Statement of Financial Position are as follows:

| Consolidated Statement of Comprehensive Income (extract) | 30 June 2023 | Prior Period adjustment | 30 June 2023 (restated) |
|---|---------------------|------------------------------------|------------------------------------|
| | \$ | \$ | \$ |
| Impairment loss on assets | (5,550,569) | 5,550,569 | - |
| Net (deficit)/surplus for the year | <u>(6,799,829)</u> | 5,550,569 | <u>(1,249,260)</u> |
| Revaluation decrement in land & building | (674,692) | (5,550,569) | (6,225,261) |
| Total comprehensive income for the year | <u>(4,687,215)</u> | - | <u>(4,687,215)</u> |

Consolidated Statement of Financial Position (extract)

| | | | |
|----------------------|-------------------|-------------|-------------------|
| General balance fund | 4,370,392 | 5,550,569 | 9,920,961 |
| Reserves | 61,216,737 | (5,550,569) | 55,666,168 |
| Total Equity | <u>65,587,129</u> | - | <u>65,587,129</u> |

Correction of cash and cash equivalents

In accordance with the accounting policies outlined in Note 1(n), 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.

During the year end 30 June 2024, the Union identified that there were some term deposit investments that had original maturity dates of more than 3 months. These deposits were recorded in financial assets as at 30 June 2024. A subsequent review of prior year balances identified deposits that also had maturity dates in excess of 3 months and as a result a prior period adjustment to the Consolidated Statement of Financial Position and Consolidated Statement of Cash Flows were made as follows:

| Consolidated Statement of Financial Position (extract) | 30 June 2023 | Prior Period adjustment | 30 June 2023 (restated) |
|---|---------------------|------------------------------------|------------------------------------|
| | \$ | \$ | \$ |
| Cash and cash equivalents | 2,364,480 | (1,753,547) | 610,933 |
| Financial assets | - | 1,753,547 | 1,753,547 |
| Total current assets | <u>3,590,049</u> | - | <u>3,590,049</u> |
| Total assets | <u>74,760,894</u> | - | <u>74,760,894</u> |
| Net assets | 65,586,759 | - | 65,586,759 |

Consolidated Statement of Cash Flows (extract)

| | | | |
|--|--------------------|--------------------|--------------------|
| Net transfers (to)/from bank term deposits | - | 440,974 | 440,974 |
| Net cash used in investing activities | (992,407) | 440,974 | (551,433) |
| Net decrease in cash held | <u>(2,562,000)</u> | 440,974 | <u>(2,121,026)</u> |
| Cash at beginning of financial year | 4,926,480 | (2,194,521) | 2,731,959 |
| Cash at end of financial year | <u>2,364,480</u> | <u>(1,753,547)</u> | <u>610,933</u> |

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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

| | 2024 | 2023 |
|---|-------------------|-------------------|
| | \$ | \$ |
| 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>28,669,180</u> | <u>24,975,540</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 23) | <u>108,716</u> | <u>95,700</u> |
| | <u>108,716</u> | <u>95,700</u> |
| 3B Compulsory levies | | |
| Total compulsory levies | <u>-</u> | <u>-</u> |
| 3C Interest received | | |
| Deposits with banks | <u>85,670</u> | <u>58,179</u> |
| 3D Rental revenue | | |
| CPSU Properties | <u>663,398</u> | <u>685,349</u> |
| 3E Other income | | |
| Dividend income | 2,333,072 | 1,277,880 |
| Management fee rebate | 115,724 | 131,342 |
| Directors fee (Note 17) | 190,857 | 194,169 |
| Sundries | 11,993 | 16,072 |
| Voluntary contributions - DHHS Community Campaign (a) | 1,013 | - |
| Voluntary contributions - ABC Community Campaign (a) | - | 1,968 |
| | <u>2,652,659</u> | <u>1,621,431</u> |
| (a) The CPSU has long campaigned to advance the rights, conditions, pay and jobs of CPSU members and to advocate for the services they provide to the community. In support of these aims, the CPSU established a program of supporter fundraising for ABC and DHS specific campaigns commencing in August of 2017. In recent years there has not been any significant fundraising activity and in accordance with the establishment of the funds, the minor remaining balances have been transferred to the CPSU General Fund. | | |
| 3F Grants and / or donations | | |
| Grants | - | - |
| Donations in relation to campaign fund | <u>-</u> | <u>-</u> |

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| Note 4 Expenses | 2024 | 2023 |
|---|-------------------|-------------------|
| | \$ | \$ |
| 4A Employee expenses | | |
| Holders of office: | | |
| - Salaries and wages (a) | 1,062,098 | 969,935 |
| - Superannuation | 167,468 | 166,666 |
| - Leave and other entitlements (b) | 65,462 | 29,956 |
| - Separation and redundancies | - | - |
| - Remote locality allowance | - | - |
| - Living away from home allowance | - | - |
| - Car allowance - NS and ANS | 22,937 | 15,117 |
| - Motor Vehicle - ANS | - | - |
| - Other employee benefits | 454 | 271 |
| Subtotal employee expenses holders of office | <u>1,318,419</u> | <u>1,181,945</u> |
| Employees other than office holders: | | |
| - Salaries and wages (a) | 17,030,832 | 16,004,877 |
| - Superannuation | 2,745,908 | 2,562,282 |
| - Leave and other entitlements (b) | 721,708 | 451,206 |
| - Separation and redundancies | 478,736 | 447,189 |
| - Remote locality allowance | 61,435 | 53,871 |
| - Living away from home allowance | - | - |
| - Health & Wellbeing Allowance | 16,186 | 11,936 |
| - Other employee benefits | 7,284 | 4,475 |
| Subtotal employee expenses employees other than office holders | <u>21,062,089</u> | <u>19,535,836</u> |
| Total employee expenses | <u>22,380,508</u> | <u>20,717,781</u> |

(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

| | 2024 | 2023 |
|--|----------|----------|
| | \$ | \$ |
| - Capitation fees | - | - |
| - Other expense to another reporting unit | - | - |
| Total capitation fees and other expense to another reporting unit | <u>-</u> | <u>-</u> |

4C Administration expenses

| | 2024 | 2023 |
|--|------------------|------------------|
| | \$ | \$ |
| - Total paid to employers for payroll deductions of membership subscriptions | 523 | 559 |
| - Compulsory Levy | - | - |
| - Fees/allowance - meeting and conferences | - | - |
| - Conference and meeting expenses | 165,733 | 148,114 |
| - Information communications technology | 881,456 | 892,162 |
| - Interest expense on lease liability | 120,000 | 90,387 |
| - Insurance | 697,395 | 645,334 |
| - Management fee – Investment Portfolio | 357,865 | 350,428 |
| - Office expense | 110,750 | 101,048 |
| - Payroll tax | 1,160,708 | 1,059,186 |
| - Property expense | 974,874 | 1,038,352 |
| - Travelling expense | 183,255 | 225,853 |
| - Other expenses | 722,061 | 658,306 |
| | <u>5,374,620</u> | <u>5,209,729</u> |

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| 4D Affiliation fees | 2024 | 2023 |
|--|----------------|----------------|
| | \$ | \$ |
| - Australian Council of Trade Unions | 256,514 | 251,369 |
| - Unions NSW | 34,305 | 32,005 |
| - SA Unions | 14,698 | 14,141 |
| - Queensland Council of Unions | 40,147 | 42,040 |
| - Unions ACT | 77,663 | 67,773 |
| - Unions NT | 10,953 | 11,619 |
| - Unions Tasmania | 10,292 | 10,189 |
| - Trades Hall Council VIC | 47,720 | 46,462 |
| - Unions WA | 16,144 | 16,179 |
| - Geelong Trades Hall Council | 135 | 170 |
| - Gippsland Trades & Labour Council | 2,633 | 1,778 |
| - Bendigo Trades Hall Council | 640 | 580 |
| - South West Trades & Labour Council Inc. | 100 | - |
| - Newcastle Trades Hall Council | 1,964 | 1,847 |
| - Queensland Council of Unions Cairns | 110 | 110 |
| - Queensland Council of Unions Townsville | 100 | 100 |
| - Queensland Council Of Unions - Toowoomba | - | 110 |
| - Queensland Council of Unions - Bundaberg | 200 | - |
| - SA May Day Collective | - | 318 |
| - ALP - VIC | 42,124 | 40,243 |
| - ALP - NSW | 40,570 | 38,805 |
| - ALP - QLD | 34,183 | 32,347 |
| - ALP - SA | 12,308 | 12,217 |
| - ALP - ACT | 37,199 | 32,028 |
| - ALP - NT | 8,266 | 8,852 |
| - ALP - WA | 17,057 | 16,333 |
| - ALP - TAS | 4,098 | 4,380 |
| - Public Services Internationale | 43,333 | 42,509 |
| - UNI Global Union | - | - |
| - APHEDA | 4,297 | 3,581 |
| - Prison Officers Association of Australasia | 500 | 500 |
| - AFTINET | 600 | - |
| Total affiliation fees | 758,853 | 728,585 |
| | | |
| 4E Grants & donations | 2024 | 2023 |
| | \$ | \$ |
| Grants: | | |
| Total paid that were \$1,000 or less in relation to CPSU Member Skills/Qualification Grant Program | 1,613 | - |
| Total paid that exceeded \$1,000 in relation to CPSU Member Skills/Qualification Grant Program | 8,871 | 20,669 |
| | 10,484 | 20,669 |
| | | |
| Donations: | | |
| Total expensed that were \$1,000 or less | 3,118 | 1,086 |
| Total expensed that exceeded \$1,000 (a) | 1,750 | - |
| | 4,868 | 1,086 |
| | 15,352 | 21,755 |

(a) Staff paid time for election campaigns 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 \$1,829.

CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
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FOR THE YEAR ENDED 30 JUNE 2024

4F Depreciation and amortisation

| | 2024 | 2023 |
|--|------------------|------------------|
| | \$ | \$ |
| - Amortisation on right of use assets | 899,057 | 910,366 |
| - Buildings | 142,955 | 347,067 |
| - Leasehold improvements | 357,759 | 444,740 |
| - Plant and equipment | 193,723 | 182,187 |
| Total depreciation and amortisation | 1,593,494 | 1,884,360 |

4G Remuneration of auditors

| | 2024 | 2023 |
|------------------------|---------------|---------------|
| | \$ | \$ |
| - Audit - current year | 42,000 | 46,000 |
| - Other services | 14,302 | 19,265 |
| | 56,302 | 65,265 |

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

4H Legal costs

| | 2024 | 2023 |
|---------------------|---------------|---------------|
| | \$ | \$ |
| - Litigation | - | - |
| - Other legal costs | 83,097 | 57,051 |
| | 83,097 | 57,051 |

4I Other expenses

| | 2024 | 2023 |
|---|------|------|
| | \$ | \$ |
| 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
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Note 5 Cash and cash equivalents

| | 2024 | 2023 |
|---------------------|------------------|----------------|
| | \$ | \$ |
| Cash on hand | - | - |
| Cash at bank | 1,133,395 | 610,933 |
| Short term deposits | - | - |
| | 1,133,395 | 610,933 |

Note 6 Trade and other receivables

| | 2024 | 2023 |
|---|----------------|----------------|
| | \$ | Restated \$ |
| Current | | |
| Receivables from other reporting unit - CSIRO Staff Association (Note 23) | 142,251 | 165,771 |
| Less allowance for expected credit losses | - | - |
| Trade and other debtors | 165,510 | 162,597 |
| | 307,761 | 328,368 |

Note 7 Other current assets

| | 2024 | 2023 |
|-------------|----------------|----------------|
| | \$ | \$ |
| Prepayments | 940,424 | 897,201 |
| | 940,424 | 897,201 |

Note 8 Financial assets

| | 2024 | 2023 |
|-------------------------------------|-------------------|-------------------|
| | \$ | Restated \$ |
| Current | | |
| Term deposits | 1,818,048 | 1,753,547 |
| Non-current | | |
| Term deposits | - | - |
| Available-for-sale financial assets | 45,120,503 | 41,558,341 |
| | 45,120,503 | 41,558,341 |

CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

Note 9 Property, plant and equipment

| | 2024 | 2023 |
|---|--------------------------|--------------------------|
| | \$ | \$ |
| Land and buildings | | |
| Freehold land and buildings including freehold improvement at independent valuation | <u>22,110,000</u> | <u>25,450,000</u> |
| Net land and buildings | <u>22,110,000</u> | <u>25,450,000</u> |
| Leasehold improvements | | |
| At cost | 1,688,435 | 1,822,779 |
| Less accumulated depreciation | <u>(741,008)</u> | <u>(517,593)</u> |
| Net Leasehold Improvements | <u>947,427</u> | <u>1,305,186</u> |
| Plant and equipment | | |
| At cost | 1,814,543 | 1,717,618 |
| Less Impairment | <u>(318,789)</u> | <u>(318,789)</u> |
| Less accumulated depreciation | <u>(942,626)</u> | <u>(782,359)</u> |
| Net plant and equipment | <u>553,128</u> | <u>616,470</u> |
| Website | | |
| At cost | 19,800 | 19,800 |
| Less accumulated depreciation | <u>(19,800)</u> | <u>(19,800)</u> |
| Net website | <u>-</u> | <u>-</u> |
| Total land, buildings, plant and equipment | <u><u>23,610,555</u></u> | <u><u>27,371,656</u></u> |

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 as at 30 June 2024, 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.

2024

| | Land and Buildings | Leasehold Improvements | Plant and Equipment | Website | Total |
|------------------------------|--------------------|------------------------|---------------------|----------|-------------------|
| | \$ | \$ | \$ | \$ | \$ |
| Balance at beginning of year | 25,450,000 | 1,305,186 | 616,470 | - | 27,371,656 |
| Additions | 176,684 | - | 130,381 | - | 307,065 |
| Disposal | - | - | - | - | - |
| Revaluation | (3,373,729) | - | - | - | (3,373,729) |
| Depreciation/Amortisation | (142,955) | (357,759) | (193,723) | - | (694,437) |
| Balance at the end of year | <u>22,110,000</u> | <u>947,427</u> | <u>553,128</u> | <u>-</u> | <u>23,610,555</u> |

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 | <u>25,450,000</u> | <u>1,305,186</u> | <u>616,470</u> | <u>-</u> | <u>27,371,656</u> |

CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

Note 10A Right of use assets

| | 2024 | 2023 |
|--------------------------|--------------------|--------------------|
| | \$ | \$ |
| At cost | 4,614,463 | 4,524,986 |
| Accumulated depreciation | <u>(2,566,109)</u> | <u>(2,284,138)</u> |
| | <u>2,048,354</u> | <u>2,240,848</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 \$ |
|------------------------------|------------------------|-----------------------------|--------------------------|------------------|
| 2024 | | | | |
| Balance at beginning of year | 107,534 | 1,976,870 | 156,444 | 2,240,848 |
| Additions | 446,442 | 366,216 | - | 812,658 |
| Depreciation | (120,272) | (637,113) | (141,672) | (899,057) |
| Disposal | (15,264) | (87,811) | (3,020) | (106,095) |
| Balance at the end of year | <u>418,440</u> | <u>1,618,162</u> | <u>11,752</u> | <u>2,048,354</u> |
| 2023 | | | | |
| Balance at beginning of year | 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) |
| Balance at the end of year | <u>107,534</u> | <u>1,976,870</u> | <u>156,444</u> | <u>2,240,848</u> |

CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

Note 10B Leases

| | 2024 | 2023 |
|--------------|------------------|------------------|
| | \$ | \$ |
| Current | 654,816 | 869,518 |
| Non-current | 1,529,724 | 1,537,340 |
| Total | 2,184,540 | 2,406,858 |

The maturity analysis of lease liabilities is disclosed in note 20D.

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 2023 | 104,453 | 2,142,902 | 159,503 | 2,406,858 |
| Additions | 446,442 | 366,216 | - | 812,658 |
| Interest expense on lease liabilities | 20,916 | 95,433 | 3,651 | 120,000 |
| Payments | (141,060) | (748,990) | (147,691) | (1,037,741) |
| Disposal | (14,790) | (99,189) | (3,256) | (117,235) |
| As at 30 June 2024 | 415,961 | 1,756,372 | 12,207 | 2,184,540 |

The following are the amounts recognised in profit or loss:

| | 2024 | 2023 |
|--|------------------|------------------|
| | \$ | \$ |
| Depreciation expense of right-of-use assets | 899,057 | 910,366 |
| Interest expense on lease liabilities | 120,000 | 90,387 |
| Expense relating to short-term leases | 435,258 | 420,049 |
| Total amount recognised in profit or loss | 1,454,315 | 1,420,802 |

Note 11 Trade payables

| | 2024 | 2023 |
|-------------------------------|-----------|-----------|
| | \$ | \$ |
| Current | | |
| Accounts payable and accruals | 1,514,732 | 1,862,808 |

Note 12 Other payables

| | | |
|--|---------------|---------------|
| Incentive received in advance | - | - |
| Payables to other reporting unit - CSIRO Staff Association (Note 23) | - | - |
| Payable to employers for making payroll deductions of membership subscriptions | - | - |
| Legal costs payable in relation to: | | |
| - Litigation | - | - |
| - Other legal costs | 30,000 | 22,585 |
| | 30,000 | 22,585 |

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 2024**

Note 13 Provisions - employee benefits

| | 2024 | 2023 |
|---|------------------|------------------|
| | \$ | \$ |
| Current | | |
| Holders of office: | | |
| Annual leave | 188,260 | 154,618 |
| Long service leave | 243,372 | 320,963 |
| Separation and redundancies | - | - |
| Other | - | - |
| | 431,632 | 475,581 |
| Employees other than office holders: | | |
| Annual leave | 1,860,524 | 1,765,820 |
| Long service leave | 2,718,421 | 2,480,879 |
| Separation and redundancies | - | - |
| Other | - | - |
| | 4,578,945 | 4,246,699 |
| Total current provisions - employee benefits | 5,010,577 | 4,722,280 |
| Non-current | | |
| Holders of office: | | |
| Annual leave | - | - |
| Long service leave | - | - |
| Separation and redundancies | - | - |
| Other | - | - |
| | - | - |
| Employees other than office holders: | | |
| Annual leave | - | - |
| Long service leave | 139,092 | 159,604 |
| Separation and redundancies | - | - |
| Other | - | - |
| | 139,092 | 159,604 |
| Total non-current provisions - employee benefits | 139,092 | 159,604 |

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 23).

CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

Note 14 Commitments

| | | |
|--|-------------|-------------|
| (a) Operating lease commitments - as lessor | 2024 | 2023 |
| | \$ | \$ |

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

| | | |
|---|---------|-----------|
| - not later than 1 year | 511,498 | 561,023 |
| - later than 1 year but not more than 5 years | 436,210 | 971,723 |
| Balance at the end of the year | 947,708 | 1,532,746 |

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 2024 the Union had no capital commitments (2023: NIL).

Note 15 Equity

15A General funds

| | | |
|---|-------------|----------------|
| | 2024 | 2023 |
| | \$ | Restated \$ |
| Retained surplus at the beginning of the year | 9,920,591 | 11,168,918 |
| (Deficit)/Surplus for the year | 1,917,397 | (1,248,327) |
| Retained surplus at the end of the year | 11,837,988 | 9,920,591 |

15B Reserves

| | | |
|--|-------------------|-------------------|
| | 2024 | 2023 |
| | \$ | Restated \$ |
| Asset revaluation reserve | | |
| Balance brought forward | 64,257,168 | 70,482,429 |
| Asset revaluation decrement | (3,373,729) | (6,225,261) |
| Balance carried forward | 60,883,439 | 64,257,168 |
| Financial assets at fair value through other comprehensive income reserve | | |
| Balance brought forward | (8,624,164) | (11,411,470) |
| Unrealised gain in investment | 1,969,672 | 2,787,306 |
| Balance carried forward | (6,654,492) | (8,624,164) |
| Death and Benevolent Fund | | |
| Balance brought forward | 33,164 | 37,664 |
| Funds used | - | (4,500) |
| Balance carried forward | 33,164 | 33,164 |
| Total Reserves | 54,262,111 | 55,666,168 |

CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

Note 16 Cash flow information

| | 2024 | 2023 Restated |
|---|------------------|------------------|
| | \$ | \$ |
| (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 | 1,133,395 | 610,933 |
| Statement of financial position | 1,133,395 | 610,933 |
| Difference | <u>-</u> | <u>-</u> |
| Reconciliation of cash flow from operations with operating surplus | | |
| Operating (deficit)/surplus | 1,917,397 | (1,248,327) |
| Non cash flow in operating (deficit)/surplus: | | |
| Reinvestment of dividend income (net of management fee) | (2,090,180) | (1,011,373) |
| Asset revaluation decrement | - | - |
| Depreciation and amortisation | 694,437 | 973,994 |
| Loss on disposal of fixed assets | - | 85,930 |
| Lease disposal and modifications | (11,140) | 2 |
| Depreciation on right of use assets | 899,057 | 910,366 |
| (Increase)/Decrease in trade debtors | 18,297 | (54,705) |
| (Increase)/Decrease in prepayments | (43,223) | (303,280) |
| Increase/(Decrease) in provisions | 267,785 | (393,104) |
| Increase/(Decrease) in trade creditors and accruals | (348,076) | 890,030 |
| Increase/(Decrease) in other liabilities | 7,415 | (462,107) |
| Net cash used in operating activities | <u>1,311,769</u> | <u>(612,574)</u> |
| (b) Cash inflow information | | |
| Cash inflows | | |
| CSIRO Staff Association | 1,440,964 | 1,311,304 |
| Total cash inflows | <u>1,440,964</u> | <u>1,311,304</u> |
| Cash outflows | | |
| CSIRO Staff Association | (4,906) | (5,138) |
| Total cash outflows | <u>(4,906)</u> | <u>(5,138)</u> |

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
NOTES TO THE FINANCIAL STATEMENTS
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Note 17 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 18 Key Management Personnel Compensation.

(b) Board representation

One or more nominees of the Union sit on certain Boards. Fees received as a result of an official sitting on a board are paid to the CPSU PSU Group and not retained by the individual. Where it is compulsory that fees are paid to the individual they are repaid to the CPSU PSU Group via a payroll deduction from the individuals gross pay.

(c) 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 18 Key management personnel remuneration for the reporting period

| | 2024 | 2023 |
|---|------------------|------------------|
| | \$ | \$ |
| Short-term employee benefits | | |
| Salary (including annual leave taken) | 2,676,363 | 2,870,231 |
| Annual leave accrued | 238,886 | 225,856 |
| Remote Localities Allowance | 6,820 | 6,611 |
| Living Away from Home Allowance | - | - |
| Total short-term employee benefits | 2,922,069 | 3,102,698 |
| Post-employment benefits | | |
| Superannuation | 440,200 | 455,478 |
| Total post-employment benefits | 440,200 | 455,478 |
| Other long-term benefits | | |
| Long service leave | 81,444 | 62,476 |
| Total other long-term benefits | 81,444 | 62,476 |
| Termination benefits | 12,832 | 34,520 |
| Total | 3,456,545 | 3,655,172 |

Note 19 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 2024. (2023: Nil)

CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

Note 20 Financial instruments

(a) Market Risk

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 2024 is limited to cash and term deposits of \$2,951,443.

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

Price risk

The Union is exposed to price risk through its holding of financial assets in multiple funds. The Union manages price risk by ensuring its investments are across a broad range of industry sectors in various markets. The Union's risk exposure relates to available-for-sale financial assets \$45,120,503.

(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 \$307,761.

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 20A Categories of financial instruments

| | 2024 | 2023 Restated |
|---|-------------------|-------------------|
| | \$ | \$ |
| Financial assets | | |
| At amortised cost: | | |
| Cash and cash equivalents | 1,133,395 | 610,933 |
| Trade and other receivables | 307,761 | 328,368 |
| Term deposits | 1,818,048 | 1,753,547 |
| | 3,259,204 | 2,692,848 |
| Fair value through other comprehensive income: | | |
| Available-for-sale assets | 45,120,503 | 41,558,341 |
| Carrying amount of financial assets | 48,379,707 | 44,251,189 |
| Financial liabilities | | |
| Other financial liabilities: | | |
| Trade payables | 1,514,732 | 1,862,808 |
| Other payables | 30,000 | 22,585 |
| Carrying amount of financial liabilities | 1,544,732 | 1,885,393 |

CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
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Note 20B Net income and expense from financial assets and financial liabilities

| | 2024 | 2023 |
|---|------------------|------------------|
| | \$ | \$ |
| Lease Liabilities | | |
| Interest expense on lease liabilities | (120,000) | (90,387) |
| Held-to-maturity | | |
| Interest revenue | 85,670 | 58,179 |
| Available-for-sale financial assets | | |
| Dividend income | 2,333,072 | 1,277,880 |
| Management fee rebate | 115,724 | 131,342 |
| Management fee | (357,865) | (350,428) |
| Net income from financial assets and financial liabilities | 2,056,601 | 1,026,586 |

Note 20C 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 20D Liquidity risk

Financial Liabilities at 30 June 2024

| | 0 - 1 year | 1- 2 years | 2- 5 years | >5 years | Total |
|-------------------|------------------|----------------|----------------|----------|------------------|
| | \$ | \$ | \$ | \$ | \$ |
| Trade payables | 1,514,732 | - | - | - | 1,514,732 |
| Other payables | 30,000 | - | - | - | 30,000 |
| Lease liabilities | 766,526 | 710,976 | 957,512 | - | 2,435,014 |
| Total | 2,311,258 | 710,976 | 957,512 | - | 3,979,746 |

Financial Liabilities at 30 June 2023

| | 0 - 1 year | 1- 2 years | 2- 5 years | >5 years | Total |
|-------------------|------------------|----------------|----------------|----------|------------------|
| | \$ | \$ | \$ | \$ | \$ |
| Trade payables | 1,862,808 | - | - | - | 1,862,808 |
| Other payables | 22,585 | - | - | - | 22,585 |
| Lease liabilities | 869,518 | 559,735 | 977,605 | - | 2,406,858 |
| Total | 2,754,911 | 559,735 | 977,605 | - | 4,292,251 |

CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
NOTES TO THE FINANCIAL STATEMENTS
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Note 20E – Market risk

Sensitivity analysis of the risk that the entity is exposed to for 2024

| | Change in risk variable % | Effect on | |
|--------------------|---------------------------|-----------------|-------------|
| | | Profit and loss | Equity |
| | | \$ | \$ |
| Price risk | 5% | 2,256,025 | 2,256,025 |
| Price risk | -5% | (2,256,025) | (2,256,025) |
| Interest rate risk | 1% | 29,514 | 29,514 |
| Interest rate risk | -1% | (29,514) | (29,514) |

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

| | Change in risk variable % | Effect on | |
|--------------------|---------------------------|-----------------|-------------|
| | | Profit and loss | Equity |
| | | \$ | \$ |
| Price risk | 5% | 2,077,917 | 2,077,917 |
| Price risk | -5% | (2,077,917) | (2,077,917) |
| Interest rate risk | 1% | 23,160 | 23,160 |
| Interest rate risk | -1% | (23,160) | (23,160) |

Note 21 Fair value measurement

Note 21A 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 | | Fair Value | |
|------------------------------|-------------------|-------------------|-------------------|-------------------|
| | 2024 | 2024 | 2023 | 2023 |
| | \$ | \$ | Restated | Restated |
| | | | \$ | \$ |
| Financial assets | | | | |
| Cash | 1,133,395 | 1,133,395 | 610,933 | 610,933 |
| Receivables | 307,761 | 307,761 | 328,368 | 328,368 |
| Term Deposits | 1,818,048 | 1,818,048 | 1,753,547 | 1,753,547 |
| Available-for-sale assets | 45,120,503 | 45,120,503 | 41,558,341 | 41,558,341 |
| Total | 48,379,707 | 48,379,707 | 44,251,189 | 44,251,189 |
| Financial liabilities | | | | |
| Trade payables | 1,514,732 | 1,514,732 | 1,862,808 | 1,862,808 |
| Other payables | 30,000 | 30,000 | 22,585 | 22,585 |
| Total | 1,544,732 | 1,544,732 | 1,885,393 | 1,885,393 |

CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

Note 21B Financial and non-financial assets and liabilities fair value hierarchy

Fair value hierarchy - 30 June 2024

| | Date of valuation | Level 2 |
|--------------------------------------|-------------------|--------------------------|
| Assets measured at fair value | | \$ |
| Property | 30/06/2024 | <u>22,110,000</u> |
| Total | | <u><u>22,110,000</u></u> |

Fair value hierarchy - 30 June 2023

| | Date of valuation | Level 2 |
|--------------------------------------|-------------------|--------------------------|
| Assets measured at fair value | | \$ |
| Properties | 30/06/2023 | <u>25,450,000</u> |
| Total | | <u><u>25,450,000</u></u> |

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.

Note 22 Contingent liabilities

| | 2024 | 2023 |
|-----------------------|-----------------------|-----------------------|
| (a) Guarantees | \$ | \$ |
| Bank Guarantees | <u>318,709</u> | <u>318,709</u> |
| | <u><u>318,709</u></u> | <u><u>318,709</u></u> |

Note 23 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

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.

Note 24 Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of comprehensive income

| | Parent | |
|---|-----------------------|---------------------------|
| | 2024 | 2023 |
| | \$ | Restated \$ |
| Net surplus/(deficit) for the year | <u>1,917,027</u> | <u>(1,249,260)</u> |
| Other comprehensive income | <u>(1,404,427)</u> | <u>(3,438,888)</u> |
| Total comprehensive income for the year | <u><u>512,970</u></u> | <u><u>(4,687,215)</u></u> |

CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

Note 24 Parent entity information (Cont'd)

Statement of financial position

| | Parent | |
|---------------------------|------------|------------------|
| | 2024 | 2023 Restated |
| | \$ | \$ |
| Total current assets | 4,199,628 | 3,484,347 |
| Total assets | 74,979,040 | 74,761,264 |
| Total current liabilities | 7,210,125 | 7,477,191 |
| Total liabilities | 8,878,941 | 9,174,135 |
| Equity | | |
| General fund balance | 11,837,988 | 9,920,961 |
| Reserves | 54,262,111 | 55,666,168 |
| Total equity | 66,100,099 | 65,587,129 |

Material accounting policy information

The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 1, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.

Note 25 Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following wholly-owned subsidiaries in accordance with the accounting policy described in note 1:

| Name | Principal place of business / Country of incorporation | Ownership interest | |
|----------------------|---|--------------------|-----------|
| | | 2024 % | 2023 % |
| Shared Advantage Ltd | Australia | - | 100 |

The Union had a controlled entity, Shared Advantage Ltd, which was deregistered on 1 February 2024 .

Note 26 Events after the reporting period

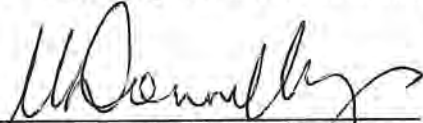
There has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the Union, the results of those operations, or the state of affairs of the Union in subsequent financial periods.

**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 2024.

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 8th day of October 2024