



**Australian Government**  
**Registered Organisations Commission**

15 September 2017

Mr Neville Kitchin  
Branch Secretary  
Community and Public Sector Union, SPSF Group, South Australian Branch

By e-mail: [enquiries@cpsu.asn.au](mailto:enquiries@cpsu.asn.au)

Dear Mr Kitchin

**Community and Public Sector Union, SPSF Group, South Australian Branch  
Financial Report for the year ended 30 June 2017 - FR2017/164**

I acknowledge receipt of the financial report for the year ended 30 June 2017 for the Community and Public Sector Union, SPSF Group, South Australian Branch (CPSU-SAS). The financial report was lodged with the Registered Organisations Commission (ROC) on 31 August 2017.

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

Whilst the 2017 report has been filed the following should be addressed in the preparation of the next financial report.

**1. General Purpose Financial Report**

References to Commissioner

Following the enactment of the *Fair Work (Registered Organisations) Amendment Act 2016*, the Registered Organisations Commission (ROC) is the new regulator for registered organisations, with effect from 1 May 2017. In future, please ensure that references to 'General Manager' are changed to 'Commissioner' (refer to Note 3).

All statements to be presented with equal prominence

Australian Accounting Standard *AASB 101 Presentation of Financial Statements* paragraph 11 requires all financial statements to be presented with equal prominence. The Statement of Financial Position and Statement of Changes in Equity are currently presented on the same page. This is not considered to meet the requirement of paragraph 11.

In future, please ensure that these statements are presented on separate pages.

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 9603 0707 or by email at [ken.morgan@roc.gov.au](mailto:ken.morgan@roc.gov.au)

Yours faithfully

A handwritten signature in black ink, appearing to read 'K. Morgan', with a stylized flourish at the end.

**KEN MORGAN**  
**Financial Reporting Advisor**  
**Registered Organisations Commission**



# Independent Auditor's Report

To the members of Community and Public Sector Union/SPSF Group South Australia Branch

## Opinion

We have audited the **Financial Report** of Community and Public Sector Union/SPSF Group South Australia Branch (the Branch).

In our opinion, the accompanying Financial Report presents fairly, in all material respects, the financial position of the Branch as at 30 June 2017, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards, Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 and Registered Organisations reporting guidelines.

The **Financial Report** comprises:

- Statement of financial position as at 30 June 2017;
- Statement of profit or loss and other comprehensive income, Statement of changes in equity, and Statement of cash flows for the year then ended;
- Notes including a summary of significant accounting policies; and
- Statement of Commitment by Management.

## Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Branch in accordance with the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with the Code.

## Other Information

Other Information is financial and non-financial information in Community and Public Sector Union/SPSF Group South Australia Branch's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The Councillors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.



## Responsibilities of the Councillors for the Financial Report

The Councillors are responsible for:

- the preparation and fair presentation of the Financial Report in accordance with Australian Accounting Standards, Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 and Registered Organisations reporting guidelines;
- implementing necessary internal control to enable the preparation of a Financial Report that is free from material misstatement, whether due to fraud or error; and
- assessing the Branch's ability to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Branch or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the Financial Report

Our 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 our 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. They 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 this Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at: [http://www.auasb.gov.au/auditors\\_files/ar3.pdf](http://www.auasb.gov.au/auditors_files/ar3.pdf). This description forms part of our Auditor's Report.

## Report on Other Legal and Regulatory Requirements

In our opinion, the Councillors' use of the going concern basis of accounting in the preparation of the financial report is appropriate.



Paul Cenko  
Partner

*Registered Company Auditor: Registration Number 332222*  
*Member of the Institute of Chartered Accountants Australian New Zealand: Registration Number 87480*  
*Registered Auditor under section 255A of the Fair Work (Registered Organisations) Act 2009: Registration Number AA2017/137*

Adelaide

2 August 2017



# Independent Reasonable Assurance Report to the Councilors of State Public Service Federation of South Australia

## Conclusion

In our opinion, in all material respects, the membership records of the State Public Service Federation of South Australia, being 11,628, have been prepared by the Councilors of State Public Service Federation of South Australia in accordance with Section 3 of the Rules of the CPSU, the Community and Public Sector Union Chapter C – SPSF Group Rules as at 30 June 2017.

### Information subject to assurance

Membership records of the State Public Service Federation of South Australia (*“the Federation”*) which state that the number of financial members as at 30 June 2017 is 11,628.

### Criteria used as the basis of reporting

The Federation has submitted membership records to us which state the number of financial members as defined by Section 3 of the Rules of the CPSU, the Community and Public Sector Union Chapter C – SPSF Group Rules (*“the criteria”*).

### Basis for our conclusion

We conducted our work in accordance with Australian Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*. We believe that the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

In accordance with the ASAE 3000 we have:

- used our professional judgement to assess the risk of material misstatement and plan and perform the engagement to obtain reasonable assurance that the membership records are free from material misstatement, whether due to fraud or error;
- considered relevant internal controls when designing our assurance procedures, however we do not express a conclusion on their effectiveness; and
- ensured that the engagement team possesses the appropriate knowledge, skills and professional competencies.

### How we define reasonable assurance and material misstatement

Reasonable assurance is a high level of assurance, but is not a guarantee that it will always detect a material misstatement when it exists.

Misstatements, including omissions, are considered material if, individually or in the aggregate, they could reasonably be expected to influence relevant decisions of the intended users taken on the basis of the membership records of the Federation as at 30 June 2017.

### Use of this Assurance Report

This report has been prepared for the Councilors of the Federation for the purpose of complying with Section 3 of the Rules of the CPSU, the Community and Public Sector Union Chapter C – SPSF Group Rules and may not be suitable for another purpose. We disclaim any assumption of responsibility for any reliance on this report, to any person other than the Federation, or for any other purpose than that for which it was prepared.



### **Councillors' responsibility**

The Councillors of the Federation are responsible for:

- determining that the criteria is appropriate to meet their needs;
- preparing and presenting the membership records of the Federation as at 30 June 2017 in accordance with the criteria; and
- establishing internal controls that enable the preparation and presentation of the membership records of the Federation as at 30 June 2017 that is free from material misstatement, whether due to fraud or error.

### **Our responsibility**

Our responsibility is to perform a reasonable assurance engagement in relation to the membership records of the Federation as at 30 June 2017, and to issue an assurance report that includes our conclusion.

### **Our independence and quality control**

We have complied with our independence and other relevant ethical requirements of the *Code of Ethics for Professional Accountants* issued by the Australian Professional and Ethical Standards Board, and complied with the applicable requirements of Australian Standard on Quality Control 1 to maintain a comprehensive system of quality control.

KPMG  
KPMG

Paul Cenko  
Partner

Adelaide

2 August 2017

THE COMMUNITY AND PUBLIC SECTOR UNION / SPSF GROUP

SOUTH AUSTRALIAN BRANCH

COMMITMENT BY MANAGEMENT

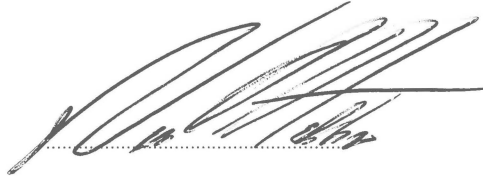
I, NEVILLE KITCHIN being the officer responsible for THE COMMUNITY AND PUBLIC SECTOR UNION (SPSF GROUP) SOUTH AUSTRALIAN BRANCH, certify that as at 30 June 2017 the number of members of the Branch was 11,628, and do state on behalf of the Council, and in accordance with a resolution passed by the Council on the 2<sup>nd</sup> August 2017 that in relation to the General Purpose Financial Report (GPFR) of the reporting unit for the year ended 30 June 2017 that:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the General Manager;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the general purpose financial report relates and since the end of that year:
  - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a 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 a branch concerned; and
  - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the (RO Act) and
  - (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a manner consistent with each of the other reporting units of the organisation; and
  - (v) where information has been sought in any request by a member of the reporting unit or General Manager duly made under section 272 of the RO Act, that information has been provided to the member or General Manager; and
  - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.
- (f) in relation to recovery of wages activity:

There has been no recovery of wages activity undertaken by the reporting unit for the financial year.

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

Signature of designated officer:



Name and Title of designated officer: NEVILLE KITCHIN  
BRANCH SECRETARY

Dated:

2/8/2017

**THE COMMUNITY AND PUBLIC SECTOR UNION / SPSF GROUP**  
**SOUTH AUSTRALIAN BRANCH**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2017**

	2017	2016
	\$	\$
Revenue-membership contributions received from; Public Service Association of SA Inc	<u>237,000</u>	<u>231,000</u>
Total Revenue	<u>237,000</u>	<u>231,000</u>
Audit fees	5,330	5,175
Affiliation Fees ACTU <b>8</b>	69,039	62,834
Bank charges	69	168
Consulting	-	-
Grants or Donations <b>9</b>	-	-
EDP costs	5,584	5,579
Capitation fee paid to CPSU/SPSF Federal Office <b>10</b>	<u>155,691</u>	<u>155,668</u>
Total expenditure	<u>235,713</u>	<u>229,424</u>
Financial income - interest received	<u>134</u>	<u>138</u>
Net Finance Income	<u>134</u>	<u>138</u>
Profit for the period	<u>1,421</u>	<u>1,714</u>
Items that will not be reclassified to profit or loss:	-	-
Total comprehensive income for the period	<u>1,421</u>	<u>1,714</u>

The accompanying notes form part of these financial statements.



THE COMMUNITY AND PUBLIC SECTOR UNION / SPSF GROUP

SOUTH AUSTRALIAN BRANCH

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2017

		2017 \$	2016 \$
<b>Current Assets</b>			
Cash and cash equivalents	5	142,142	139,373
Debtors	6	-	72
<b>Total Assets</b>		<u>142,142</u>	<u>139,445</u>
<b>Current Liabilities</b>			
Trade and other payables		<u>6,110</u>	<u>4,834</u>
<b>Total Liabilities</b>		<u>6,110</u>	<u>4,834</u>
<b>Net Assets</b>		<u>136,032</u>	<u>134,611</u>
<b>Equity</b>			
Retained earnings	7	<u>136,032</u>	<u>134,611</u>
<b>Total equity attributable to equity holders</b>		<u>136,032</u>	<u>134,611</u>

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2017

	Retained earnings	Total Equity
Balance as at 1 July 2015	<u>132,897</u>	<u>132,897</u>
Profit for the period	1,714	1,714
Balance as at 30 June 2016	<u>134,611</u>	<u>134,611</u>
Balance as at 1 July 2016	<u>134,611</u>	<u>134,611</u>
Profit for the period	1,421	1,421
Balance as at 30 June 2017	<u>136,032</u>	<u>136,032</u>

There are no other movements in equity arising from transactions with owners.

The accompanying notes form part of these financial statements.

THE COMMUNITY AND PUBLIC SECTOR UNION / SPSF GROUP

SOUTH AUSTRALIAN BRANCH

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2017

	2017	2016
	\$	\$
Cash flows from operating activities		
Member receipts from associated body being the Public Service Association of SA Inc	237,072	231,118
Interest received	134	138
Payments to associated body CPSU/SPSF Federal Office and ACTU	(230,314)	(224,541)
Payments to suppliers	<u>(4,123)</u>	<u>(5,020)</u>
Net cash from operating activities	4	1,695
Increase in cash and cash equivalents	2,769	1,695
Cash and cash equivalents at beginning of financial year	<u>139,373</u>	<u>137,678</u>
Cash and cash equivalents at end of financial year	5	<u>139,373</u>

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

THE COMMUNITY AND PUBLIC SECTOR UNION / SPSF GROUP

SOUTH AUSTRALIAN BRANCH

NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2017

**1. Statement of significant accounting policies**

The Branch is a not for profit entity and domiciled in Australia. The Branch was Incorporated in Australia. The address of the Branch's registered office is 122 Pirie Street, Adelaide South Australia.

The financial report was authorised for issue by the Council during the Councillors' meeting on 2 August 2017.

**(a) Statement of Compliance**

The financial report of the Branch is a Tier 1 general purpose financial report which has been prepared in accordance with Australian Accounting Standards – adopted by the Australian Accounting Standards Board ("AASB") and Fair Work (Registered Organisations) Act 2009 (the RO Act).

**(b) Basis of Preparation**

The financial report is presented in Australian dollars. The financial report is prepared on the historical cost basis.

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. These accounting policies have been consistently applied by the Branch.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and the future periods if the revision affects both current and future periods.

The accounting policies set out below have been applied consistently to all periods presented in the financial report.

**(c) Taxation**

The branch is exempt from paying income tax due to being a trade union in terms of Section 50 (15) of the Income Tax Assessment Act 1997.

**(d) Trade and Other Receivables**

Trade and other receivables are stated at their cost less impairment losses. The cost of the receivable is the fair value of consideration receivable at the date of the transaction.

**(e) Trade and Other Payables**

Trade and other payables are stated at cost. The cost of the payable is the fair value of the amount payable at the date of transaction.

**(f) Goods and Services Tax**

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). 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 are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

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

**(g) Cash and cash equivalents**

Cash and cash equivalents comprises cash at call.

**(h) Members' Subscriptions**

Member subscriptions are accounted for on an accrual basis, net of goods and services tax (GST)

**THE COMMUNITY AND PUBLIC SECTOR UNION / SPSF GROUP**  
**SOUTH AUSTRALIAN BRANCH**  
**NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS**  
**FOR THE YEAR ENDED 30 JUNE 2017**

**1. Statement of significant accounting policies** *(continued from previous page)*

(l) New Standards and Interpretations Not Yet Adopted

A number of new standards and amendments to standards are available for early adoption and have not been applied in preparing these financial statements. The Standards relevant to the Branch are set out below. The Branch does not plan to adopt these standards early.

**AASB 9 Financial Instruments**

AASB 9 published in July 2014, replaces the existing guidance in AASB 139 Finance Instruments: Recognition and Measurements. AASB 9 includes revised guidance on the classification and measurement of financial instruments, including a new expected credit loss model for calculating impairment of financial assets, and the new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from AASB 139. AASB 9 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted.

The Branch does not expect a significant impact on its financial report resulting from the application of AASB 9.

**AASB 15 Revenue from Contracts with Customers**

AASB 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including AASB 118 Revenue, AASB 111 Construction Contracts and IFRIC Customer Loyalty Programmes. AASB 15 is effective for annual reporting periods beginning on or after 1 January 2018 with early adoption permitted.

The Branch does not expect a significant impact on its financial report resulting from the application of AASB 15.

THE COMMUNITY AND PUBLIC SECTOR UNION / SPSF GROUP

SOUTH AUSTRALIAN BRANCH

NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2017

**2. General requirements for presentation and disclosures in GPFR**

The following disclosures are made for the purpose of Section 253 with paragraph numbers referring to the specific requirements under the Reporting Guidelines:-

Paragraph 10 The reporting unit's ability to continue as a going concern is not reliant on the agreed financial support of another reporting unit as defined under the Fair Work (Registered Organisations) Act 2009.

Paragraph 11 The reporting unit pays capitation fees to the Federal Office of the State Public Services Federation Group, Community and Public Sector Union in accordance with the terms and conditions defined in the Rules of that organisation as registered by the Fair Work (Registered Organisations) Act 2009.

The reporting unit pays affiliation fees to the ACTU with the terms and conditions defined in the Rules of that organisation as registered by the Fair Work (Registered Organisations) Act 2009.

Paragraph 12 No asset or a liability was acquired during the financial year as a result of:

- a) an amalgamation under Part 2 of Chapter 3, of the RO Act in which the organisation (of which the reporting unit form part) was the amalgamated organisation; or
- b) a restructure of the branches of the organisation; or
- c) a determination by the General Manager under subsection 245(1) of the RO Act of an alternative reporting structure for the organisation; or
- d) a revocation by the General Manager under subsection 249(1) of the RO Act of a certificate issued to an organisation under subsection 245(1).

Paragraph 13 No asset or liability was acquired during the financial year as part of a business combination.

**Statement of Profit or Loss and Other Comprehensive Income  
Revenue**

Paragraph 14 The following items were received during the year:

- a) Revenue is receipted from Public Service Association of SA Inc and not directly from members.

Paragraph 15 The following items were not received during the year:

- b) a capitation fee from another reporting unit of the organisation.
- c) compulsory levies raised from the members or appeals for voluntary contribution (including whip rounds) for the furtherance of a particular purpose.
- d) donations and grants; and
- e) receipt of any other financial support from another reporting unit of the organisation.

THE COMMUNITY AND PUBLIC SECTOR UNION / SPSF GROUP

SOUTH AUSTRALIAN BRANCH

NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2017

**Statement of Profit or Loss and Other Comprehensive Income  
Expense**

Paragraph 17 The following items were not incurred during the year:

- a) expenses incurred as consideration for employers making payroll deductions of membership subscriptions.
- c) fees and periodic subscriptions paid in respect of its affiliation to any political party, any federation, congress council or group of organisations, or any international body having an interest in industrial matters.
- d) compulsory levies imposed on the reporting unit, for each such levy.
- e) grants or donations.
- f) employee expenses related to holders of office of the reporting unit.
- g) employee expenses related to employees of the reporting unit including wages, superannuation, leave, separation/redundancies or other employee expenses occurred during the financial year.
- h) fees and/or allowances paid to persons in respect of their attendances as representatives of the reporting unit at conferences or other meetings.
- i) expenses incurred in connection with holding meetings of members of the reporting unit and any conferences or meetings of councils, committees, panels or other bodies for the holding of which the reporting unit was wholly or partly responsible;
- j) legal costs and other expenses related to:
  - i. litigation; and
  - ii. other legal matters;
- k) penalties imposed on the organisation under the RO Act with respect to conduct of the reporting unit.

**Statement of Financial position**

**Assets**

Paragraph 19

- a) there were no receivables or other right to receive cash which have been derived as a result of one or more transactions and/or other past events with another reporting unit of the organisation.
- b) there were no payables or other financial liabilities which have been derived as a result of one or more transactions and/or other past events with another reporting unit of the organisation.

**THE COMMUNITY AND PUBLIC SECTOR UNION / SPSF GROUP**  
**SOUTH AUSTRALIAN BRANCH**  
**NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS**  
**FOR THE YEAR ENDED 30 JUNE 2017**

**Statement of Financial position**  
**Liabilities**

Paragraph 21 No amounts are payable in respect of:

- a) employers as consideration for the employers making payroll deductions of membership subscriptions;
- b) legal costs and other expenses related to litigation or other legal matters;
- c) employee provisions in respect of holders of offices in the reporting unit;
- d) employee provisions in respect of employees.

**Statement of changes in equity**

Paragraph 23 No amounts are included in equity in respect of:

- a) compulsory levies raised by the reporting unit or voluntary contributions collected from members of the reporting unit;
- b) monies, or the balance of monies referred to in subparagraph (a) have been invested in any asset;
- c) fund or account, the operation of which is required by the rules of the organisation including the rules of a branch of the organisation;
- d) transfer(s) and/or withdrawal(s) to a fund, account or controlled entity, when any of these are kept for a specific purpose(s) by the reporting unit.
- e) the general fund.

**Statement of Cash Flows**

Paragraph 25 No amounts included in cash inflows or cash outflows are from another reporting unit and/or controlled entity of the organisation.

**Recovery of Wages activity Financial Report**

No recovery of wages activity has occurred in the reporting period.

**Additional reporting requirements**

- Paragraph 31
- a) the financial affairs of the branch are administered by the Public Service Association of SA Inc which includes receipting of income from the PSA of SA Inc and payments of relevant expenses paid in the form of audit fees, affiliation fees to the ACTU, computer costs, capitation fees paid to CPSU Federal Office, BAS payments and bank charges.
  - b) terms and conditions are such that the PSA of SA Inc will conduct, at no cost or obligation to the Branch, receipting and payment processes in the normal course of business and within the Branch's own accounts and set of accounts.

**THE COMMUNITY AND PUBLIC SECTOR UNION / SPSF GROUP**  
**SOUTH AUSTRALIAN BRANCH**  
**NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS**  
**FOR THE YEAR ENDED 30 JUNE 2017**

3. Information to be provided to members or General Manager

In accordance with the requirements of the RO Act, the attention of members is drawn to the provision of subsections (1), (2), (3) of Section 272, which reads as follows;

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

	2017 \$	2016 \$
4. Reconciliation of net cash provided by operating activities with operating profit		
Profit for the year	1,421	1,714
Increase in trade and other receivables	72	(72)
(Decrease)/ Increase in trade and other payables	<u>1,276</u>	<u>53</u>
Net cash from operating activities	2,769	1,695
5. Cash and cash equivalents		
Cash at bank	142,142	139,373
6. Debtors	-	72
7. Retained earnings		
Balance at 1 July	134,611	132,897
Profit for the period	<u>1,421</u>	<u>1,714</u>
Balance at 30 June	<u>136,032</u>	<u>134,611</u>
8 Affiliation Fees		
ACTU	<u>69,039</u>	<u>62,834</u>
Total Affiliation fees	<u>69,039</u>	<u>62,834</u>
9. Grants or Donations		
Grants		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000.	-	-
Donations		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000.	-	-
Total Grants and Donations	<u>-</u>	<u>-</u>
10 Capitation Fees		
CPSU/SPSF Federal Office	<u>155,691</u>	<u>155,668</u>
Total Capitation Fees	<u>155,691</u>	<u>155,668</u>



**THE COMMUNITY AND PUBLIC SECTOR UNION / SPSF GROUP**  
**SOUTH AUSTRALIAN BRANCH**  
**NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS**  
**FOR THE YEAR ENDED 30 JUNE 2017**

11. Financial risk management

Overview

The Branch has exposure to the following risks from use of financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the Branch exposure to each of the above risks, its objectives, policies and processes for measuring and managing risk. Further quantitative disclosures are included throughout this financial report. The Council has overall responsibility for risk management and oversight of the Branch's investments. Management policy has been established to identify and analyse the risk faced by the Branch, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

Credit Risk

Credit risk is the risk of financial loss to the Branch if a customer fails to meet payment obligations, and arises principally from the Branch's receivables from customers.

Trade receivables

The Branch's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Branch's only customer is The Public Service Association of SA.

Investments

The Branch limits its exposure to credit risk by only investing in a Cheque Account with a regulated Financial Institution.

Liquidity Risk

Liquidity risk is the risk that the Branch will not be able to meet its financial obligations as they fall due. The Branch's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Branch's reputation. The Branch has no borrowings or overdraft facilities in place and is always in a position to meet expected operational expenses, including the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

Market Risk

Market risk is the risk that changes in interest rates will affect the Branch's income or the value of financial instruments.

Interest Rate Risk

The Branch adopts a policy of ensuring that investments are for fixed term with a fixed interest rate for that chosen term.

Capital Management

The Branch policy is to maintain a strong capital base so as to maintain member and creditor confidence and to sustain future development of the Branch. There were no changes in the Branch's approach to capital management during the year. The Branch is not subject to externally imposed capital requirements.

**THE COMMUNITY AND PUBLIC SECTOR UNION / SPSF GROUP**  
**SOUTH AUSTRALIAN BRANCH**  
**NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS**  
**FOR THE YEAR ENDED 30 JUNE 2017**

12 Financial instruments

Financial Instruments Credit Risk

The carrying amount of the Branch's financial assets represents the maximum credit exposure.  
 The Branch's maximum exposure to credit risk at the reporting date was:

		Carrying amount	
	Note	2017	2016
		\$	\$
Cash and cash equivalents	5	142,142	139,373

The Branch's maximum exposure to credit risk at the reporting date was \$142,142 (2016: \$139,373)

The Branch's maximum exposure to credit risk for trade receivables at the reporting by geographic region was nil (2016: \$72).

The Branch's only customer is the Public Service Association of SA Inc.

The Branch's receivables are nil (2016: \$72).

No impairment loss was recognised in current year (2016: nil).

THE COMMUNITY AND PUBLIC SECTOR UNION / SPSF GROUP

SOUTH AUSTRALIAN BRANCH

NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2017

Liquidity Risk

The following are the contracted maturities of financial liabilities of the Branch:

	Carrying amount \$	6 mths or less \$
30 June 2017		
Trade and other payables	6,110	6,110
	<u>6,110</u>	<u>6,110</u>

	Carrying amount \$	6 mths or less \$
30 June 2016		
Trade and other payables	4,834	4,834
	<u>4,834</u>	<u>4,834</u>

Trade creditor payments are made as per creditors' payment terms.

At reporting date the interest rate profile of the Branch interest bearing instruments was:

	Note	Carrying amount 2017 \$	2016 \$
Interest Bearing Instruments			
Financial assets	5	142,142	139,373
		<u>142,142</u>	<u>139,373</u>

Cash flow sensitivity analysis for interest bearing instruments

A change of 100 basis points (i.e. 1%) in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant. The analysis is performed on the same basis for 2017.

	Profit or Loss		Equity	
	100bp increase \$	100bp decrease \$	100bp increase \$	100bp decrease \$
30 June 2017				
Interest Bearing Instruments	(45)	45	(45)	45
Cash flow sensitivity	<u>(45)</u>	<u>45</u>	<u>(45)</u>	<u>45</u>
30 June 2016				
Interest Bearing Instruments	(46)	46	(46)	46
Cash flow sensitivity	<u>(46)</u>	<u>46</u>	<u>(46)</u>	<u>46</u>

Fair Values

Fair values versus carrying amounts

The fair values of the financial assets and liabilities, together with the carrying amounts shown in the balance sheet, are as follows:

	Note	30 Jun 2017		30 Jun 2016	
		Carrying amount \$	Fair value \$	Carrying amount \$	Fair value \$
Cash & cash equivalents	5	142,142	142,142	139,373	139,373
Debtors	6	-	-	72	72
Trade and other payables		(6,110)	(6,110)	(4,834)	(4,834)
		<u>136,032</u>	<u>136,032</u>	<u>134,611</u>	<u>134,611</u>

**THE COMMUNITY AND PUBLIC SECTOR UNION / SPSF GROUP**  
**SOUTH AUSTRALIAN BRANCH**  
**NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS**  
**FOR THE YEAR ENDED 30 JUNE 2017**

13. Related Party Disclosures

(a) Councillors

The names of each person holding the position of councillor during the financial year are listed below. The persons listed held the position for the whole year unless otherwise stated.

Angelakis	Anna	
Barnes	Michael	
Beck	Andrew	
Bell-Corkin	Patricia	
Bellew	Mary-Jo	
Brown	Natasha	
Burford	Lesley	
Dawson	Raylene	
Grantham	Kym	
Griffiths	Michael	
Hagivassilis	Christian	
Henderson	Sharon	
Hewish	Peter	
Johnson	Anne	01/07/16 TO 19/06/2017
Keage	Robert	
Kitchin	Neville	
Martin	Jo-anne	
Moragiannis	Peter	
Mensforth	Noel	
Prakash	Sharin	
Rozaklis	Lillia	
Snowball	Carl	
Stitt	Robyn	
Tonkin	Margaret	
Watson	Julie	

(b) Councillors' remuneration

No amounts were paid to councillors or Key Management Personnel during the financial year.

(c) Related Party Disclosure

Members upon joining the Union are in fact joint members of the Public Service Association of SA Inc and the Community and Public Sector Union/SPSF Group South Australia Branch.

Member receipts are paid directly to the Public Service Association of SA Inc.

With the Public Service Association of SA ( PSA ) and the Branch sharing a common membership the PSA provides administrative support, including employment of staff who provide such support.

In view of the working relationship between the Public Service Association of SA Inc and the Branch, sustentation fees payable by the PSA of SA Inc to the Branch, are calculated on the basis of the actual costs of the Branch.

There were no outstanding balances between the PSA of SA Inc and the Branch as at 30 June 2017.

14. Subsequent events

There have been no events subsequent to balance date.



## CPSU (SPSF GROUP) SA BRANCH

### OPERATING REPORT For the year ended 30 June 2017

#### ***S254 Fair Work (Registered Organisations) Act 2009***

I, Neville Kitchin, being the Branch Secretary of the CPSU (SPSF Group) SA Branch, on behalf of the Council of the reporting unit for the financial year ended 30 June 2017, state;

- (a) Principal activities during the year were of an Industrial nature including campaigning for improved wages and conditions. Activities are reviewed throughout the year, with no change deemed necessary to the nature of activities. The Branch has been successful in achieving its objectives.
- (b) Financial affairs. No significant changes.
- (c) Resignation procedure.

A member may resign from membership in accordance with Rule 8 by notice in writing to the Branch Secretary, 122 Pirie St. Adelaide SA 5000.

In accordance with S.174 of the RO Act two weeks notice shall apply for resignation, other than where the member leaves the industry in which case no notice period is required.

- (d) Superannuation Trustees.

Neville Kitchin - UniSuper.

The position is held because the person was nominated by the reporting unit or peak council.

- (e) Board Membership and Company Directorship.

Natasha Brown

Asbestos Diseases Society of South Australia Inc.

The above position is not held because the person was nominated by the reporting unit or peak council.





## CPSU (SPSF GROUP) SA BRANCH

### OPERATING REPORT For the year ended 30 June 2017

#### **S254 Fair Work (Registered Organisations) Act 2009**

- (f) Number of members as at 30 June 2017 is 11,628.
- (g) Number of employees as at 30 June 2017 is nil.
- (h) Persons who have been a member of the Committee of Management of the reporting unit at any time during the reporting period, and the period of which they held the position (Attached).
- (i) Five Highest Paid Officers. Nil Report, no salaries paid. No cash benefit paid.

Signature of designated officer:

Name and title of designated officer:

NEVILLE KITCHIN  
BRANCH SECRETARY

Dated:

2/2/2017  
.....





## CPSU (SPSF GROUP) SA BRANCH

For the year ended 30 June 2017

### COMMITTEE OF MANAGEMENT

#### Councillors

The names of each person holding the position of councillor during the financial year are listed below. The persons listed held the position for the whole year unless otherwise stated.

Angelakis	Anna	
Barnes	Michael	
Beck	Andrew	
Bell-Corkin	Patricia	
Bellew	Mary-Jo	
Brown	Natasha	
Burford	Lesley	
Dawson	Raylene	
Grantham	Kym	
Griffiths	Michael	
Hagivassilis	Christian	
Henderson	Sharon	
Hewish	Peter	
Johnson	Anne	01/07/2016 – 19/06/2017
Keage	Robert	
Kitchin	Nevillie	
Martin	Jo-anne	
Moragiannis	Peter	
Mensforth	Noel	
Prakash	Sharin	
Rozaklis	Lillia	
Snowball	Carl	
Stitt	Robyn	
Tonkin	Margaret	
Watson	Julie	





## CPSU (SPSF GROUP) SA BRANCH

### CERTIFICATE OF SECRETARY PERIOD ENDED 30TH JUNE 2017

#### **S268 Fair Work ( Registered Organisations ) Act 2009**

I, Neville Kitchin, being the Branch Secretary of the CPSU/(SPSF Group) – SA Branch certify;

- ◆ that the documents lodged herewith are copies of the full report for the CPSU (SPSF Group) – SA Branch for the period ended 30 June 2017 referred to in S268 of the Fair Work (Registered Organisations) Act 2009; and
- ◆ that the full report was provided to members of the reporting unit on 2 August 2017; and
- ◆ that the full report was presented to the Annual General Meeting of members of the reporting unit on 30 August 2017, in accordance with S266 (1) of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer: .....

Name of prescribed designated officer:

NEVILLE KITCHIN

Title of prescribed designated officer:

BRANCH SECRETARY

Dated:

20/8/2017 .....

