



AUSTRALIAN INDUSTRIAL REGISTRY

Level 35, Nauru House
80 Collins Street, Melbourne, VIC 3000
GPO Box 1994S, Melbourne, VIC 3001
Telephone: (03) 8661 7777
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Our Ref: SvR/090V-PROF/FR2002/549

Mr Matthew Reynolds
Professional Division Secretary
PSU Group
Level 6, 191 Thomas Street
SYDNEY NSW 2000

Dear Mr Reynolds

Re: Financial statements for year ended 30 June 2001 - FR2002/549 - PSU Group, Professional Division

Receipt is acknowledged of the financial documents of the Division for the year ended 30 June 2001. The documents were lodged in the Industrial Registry on 1 August 2002.

The documents have been filed.

Financial statements for years ended 30 June 1998, 1999 and 2000

It is noted that the financial statements for years ended 30/6/98, 30/6/99 and 30/6/00 have not yet been lodged despite previous requests from the Registry. As the lodgement of these documents remain outstanding obligations under the *Workplace Relations Act 1996*, would you please advise by 23 August 2002 detailing what action has been taken to fulfil these legislative requirements.

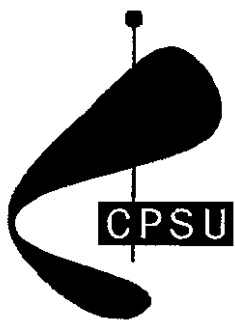
If you wish to discuss this letter I may be contacted on (03) 8661 7776.

Yours sincerely,

Sylvia van Riet
Statutory Services Branch

8 August 2002

FR 2002/549



Community & Public Sector Union

PSU Group – National Secretariat
Level 6, 191 Thomas St, Sydney, NSW 2000
Telephone: 1300 137 636 Fax: (02) 8204 6978

Industrial Registrar
Australian Industrial Registry
Level 36, Nauru House
80 Collins Street
Melbourne 3000

Dear Sir or Madam,

Re: Financial documents for year ended 30 June 2001

I enclose copies of the CPSU (PSU Group) Professional Division accounts for the year ending 30 June 2001.

I hereby certify that the attached documents are copies of the documents presented to the CPSU (PSU Group) Professional Division Executive and declared carried on 4 June 2002.

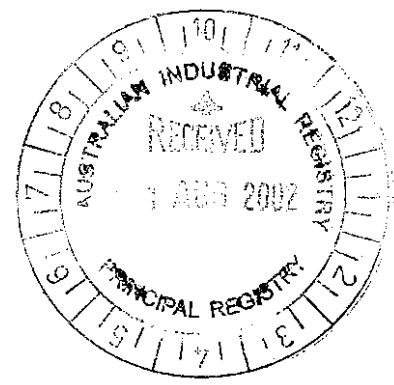
The Professional Division Executive resolved:

"The Professional Division Executive of the Community and Public Sector Union, PSU Group, consider that:

- (i) The attached Accounts are drawn up so as to give a true and fair view of the state of affairs and of the results of the Union for the year ended 30th June 2001;
- (ii) Meetings of the Division Executive and Division Council were held during the year ended 30th June 2001 in accordance with the rules of the Union;
- (iii) to the knowledge of all members of the Division Executive, there have been no instances where records of the Union, that should be made available have been withheld from members; and
- (iv) the Union has in relation to the Auditors' Report on the accounts and statements in respect of the immediately preceding financial year, complied with the provisions of Sec. 279(1) and 279(6) of the Workplace Relations Act 1996.

Yours sincerely

Matthew Reynolds
Professional Division Secretary
21 July 2002



CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP

PROFESSIONAL DIVISION

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2001**



Haines Norton Chartered Accountants

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S.P. Guthrie
Consultants: A.W. Bathgate
J.W. Beale

**AUDITORS' REPORT
TO THE MEMBERS OF THE CPSU,
THE COMMUNITY AND PUBLIC SECTOR UNION,
PROFESSIONAL DIVISION**

Scope

We have audited the financial report of the CPSU, the Community and Public Sector Union, Professional Division, for the year ended 30 June 2001, as set out on pages 5 to 12. The Division Committee of Management is responsible for the financial report. We have conducted an independent audit on this financial report in order to express an opinion on it to the members of the Division.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Australian Accounting Standards and other mandatory professional reporting requirements and statutory requirements so as to present a view of the Division which is consistent with our understanding of the Division's financial position and the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit opinion

We have inspected and audited the accounting records kept by the CPSU, the Community and Public Sector Union, Professional Division, in respect of the year ended 30 June 2001 and have received all the information and explanations we required for the purposes of our audit.

In our opinion:

- (i) there were kept by the organisation, in respect of the period, satisfactory accounting records detailing the sources and nature of the income of the organisation (including income from members) and the nature and purposes of expenditure; and
- (ii) the attached accounts and statements, prepared under the historical cost convention, and in accordance with Section 273 of the Workplace Relations Act 1996, and the accounting policies set out in Note 1 to the financial report, are properly drawn up so as to give a true and fair view of:
 - a. the financial affairs of the organisation as at 30 June 2001; and
 - b. the income and expenditure, and surplus of the organisation, for the year ended on that date.

M D NICHOLAEFF
Partner

HAINES NORTON
Chartered Accountants

Sydney

Date: 28 May 2002

CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP

PROFESSIONAL DIVISION

ACCOUNTING OFFICER'S CERTIFICATE

I, Matthew Reynolds, being the Officer responsible for keeping the accounting records of the Community and Public Sector Union, PSU Group, Professional Division certify that as at 30th June 2001 the number of members of the Professional Division was 3,830.

In my opinion:

- (i) the attached Accounts show a true and fair view of the financial affairs of the Professional Division as at 30th June 2001;
- (ii) a record has been kept of all moneys paid by, or collected from members, and all moneys so paid or collected have been credited to the bank account to which those moneys are to be credited, in accordance with the rules of the Union;
- (iii) before any expenditure was incurred, approval of the incurring of the expenditure was obtained in accordance with the rules of the Union;
- (iv) with regard to funds of the Professional Division raised by compulsory levies or voluntary contributions from members, or funds other than the General Fund operated in accordance with the rules, no payments were made out of any such fund for purposes other than those for which the fund was operated;
- (v) no loans or other financial benefits, other than remuneration in respect of their employment with the union, were made to persons holding office in the Professional Division; and
- (vi) the register of members of the Professional Division was maintained in accordance with the Act.



Matthew Reynolds
Division Secretary

Dated at Canberra this 28 day of May 2002

CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP

PROFESSIONAL DIVISION

COMMITTEE OF MANAGEMENT'S CERTIFICATE

We, Tom Ruthven and Matthew Reynolds, being two members of the Professional Division Executive of the Community and Public Sector Union, PSU Group, do state on behalf of the Division Executive and in accordance with a resolution passed by the Division Executive, that:

- (i) The attached Accounts are drawn up so as to give a true and fair view of the state of affairs and of the results of the Union for the year ended 30th June 2001;
- (ii) Meetings of the Division Executive and Division Council were held during the year ended 30th June 2001 in accordance with the rules of the Union;
- (iii) to the knowledge of all members of the Division Executive, there have been no instances where records of the Union, that should be made available have been withheld from members; and
- (iv) the Union has in relation to the Auditors' Report on the accounts and statements in respect of the immediately preceding financial year, complied with the provisions of Sec. 279(1) and 279(6) of the Workplace Relations Act 1996.



Tom Ruthven
Division Treasurer



Matthew Reynolds
Division Secretary

Dated at Canberra this 28 day of May 2002.

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
PROFESSIONAL DIVISION**

**STATEMENT OF FIANANCIAL PERFORMANCE FOR THE YEAR
ENDED 30 JUNE 2001**

	Note	2001 \$	2000 \$
Revenue from Ordinary Activities	3	18,539	1,153,799
Employee Benefits Expense	4	-	(717,034)
Other Expenses from Ordinary activities		-	(573,146)
TOTAL CHANGES IN EQUITY		<u>18,539</u>	<u>(136,381)</u>

To be read in conjunction with the Notes to and forming part of the 2001 financial statements.

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
PROFESSIONAL DIVISION**

BALANCE SHEET AS AT 30TH JUNE 2001

	Note	2001 \$	2000 \$
CURRENT ASSETS			
Cash	5	358,709	431,318
Receivables	6	2,074	64,708
TOTAL CURRENT ASSETS		<u>360,783</u>	<u>496,026</u>
CURRENT LIABILITIES			
Payables	7	426,951	451,561
Provisions	8	-	67,399
TOTAL CURRENT LIABILITIES		<u>426,951</u>	<u>518,960</u>
NON CURRENT LIABILITIES			
Provisions	8	-	61,773
TOTAL NON CURRENT LIABILITIES		<u>-</u>	<u>61,773</u>
TOTAL LIABILITIES		<u>426,951</u>	<u>580,733</u>
NET ASSETS (DEFICIENCY)		<u>(66,168)</u>	<u>(84,707)</u>
ACCUMULATED (DEFICIT)/FUNDS			
General Fund Balance	11	(389,593)	(408,132)
Reserves		323,425	323,425
TOTAL ACCUMULATED (DEFICIT) FUNDS		<u>(66,168)</u>	<u>(84,707)</u>

To be read in conjunction with the Notes to and forming part of the 2001 financial statements.

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
PROFESSIONAL DIVISION**

**STATEMENT OF CASH FLOW FOR THE YEAR
ENDED 30 JUNE 2001**

	Note	2001 \$	2000 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from members and others		-	1,436,079
Payments to National Executive, suppliers and employees		(89,074)	(1,460,059)
Interest Received		16,465	18,679
Net cash (used in) operating activities	10(b)	<u>(77,609)</u>	<u>(5,301)</u>
Net (decrease)/increase in cash held		(72,609)	(5,301)
Cash at beginning of the year		431,318	436,619
Cash at end of the year	10(a)	<u><u>358,709</u></u>	<u><u>431,318</u></u>

To be read in conjunction with the Notes to and forming part of the 2001 financial statements

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
PROFESSIONAL DIVISION**

NOTES TO AND FORMING PART OF THE 2001 FINANCIAL STATEMENTS

NOTE 1: STATEMENT OF ACCOUNTING POLICIES

The financial statements are a general purpose financial report that has been prepared in accordance with applicable Accounting Standards, other mandatory professional reporting requirements and the Workplace Relations Act 1996 and the alteration to rules as approved by the Industrial Registrar. The financial statements have also been prepared on the basis of historical costs and do not take into account changing money values. Cost is based on the fair values of the consideration given in exchange for assets. The accounting policies have been consistently applied, unless otherwise stated.

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

(a) Income Tax

No provision for income tax is necessary as "Trade Unions" are exempt from income tax under Section 50-5 of the Income Tax Assessment Act 1997.

(b) Employee Leave Entitlements

Provision is made for the Union's liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries and annual leave which will be settled after one year, have been measured at their nominal amount. In the previous year, the liability for accrued long service leave was recognised in the accounts of the Division with a corresponding receivable due from National Executive, and the on costs arising on all annual and long service entitlements were borne by the Division.

During the current financial year, the National Executive has assumed all liabilities in relation to employee provisions (refer Note 13).

Contributions are made by the Union to employee superannuation funds and are charged as expenses when incurred.

(c) Comparative Information

Where necessary comparative amounts have been re-classified to facilitate preparation of the current year accounts.

(d) Cash

Cash is carried at face value of the amounts deposited. The carrying amount of cash approximates net fair value.

(e) Reclassification of Financial Information

Some line items and subtotals reported in the previous financial year have been reclassified and repositioned in the financial statements as a result of the first time application on 1 July 2000 of the new standards AAS1 "Statement of Financial Performance" and AAS36 "Statement of Financial Position".

(f) Statement of Financial Performance

The current year's statement of financial performance reflects only as income the interest income and other sundry income and as expense the amortisation and depreciation expense. All other income and expenses are now recognised in the accounts of National Executive (refer Note 13).

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
PROFESSIONAL DIVISION**

NOTES TO AND FORMING PART OF THE 2001 FINANCIAL STATEMENTS

NOTE 2: INFORMATION TO BE PROVIDED TO MEMBERS OR THE REGISTRAR

In accordance with the requirements of the Workplace Relations Act 1996, the attention of the members is drawn to the provisions of Sub-sections (1), (2) and (3) of Section 274, which read as follows:

- (1) A member of an organisation, or a Registrar, may apply to the organisation for specified prescribed information in relation to the organisation.
- (2) An organisation shall, on application made under Sub-section (1) by a member of the organisation or a Registrar, make the specified information available to the member or Registrar in such manner, and within such time, as is prescribed.
- (3) A Registrar may only make an application under Sub-section (1) at the request of a member of the organisation concerned, and the Registrar shall provide to a member information received because of an application made at the request of the member.

	2001	2000
	\$	\$
NOTE 3: REVENUE		
Operating Activities		
Interest Received	18,539	21,490
Funding Income	-	1,132,309
	<u>18,539</u>	<u>1,153,799</u>

NOTE 4: SURPLUS FROM ORDINARY ACTIVITIES

a) Expenses

Depreciation and Amortisation of Non Current Assets	7,227	9,182
Remuneration of Auditor	-	7,000
Employee Benefits		
Salaries – Elected Officers	-	133,123
– Staff	-	429,795
Superannuation	-	95,319
Annual Leave	-	36,705
Long Service Leave	-	22,092
Total Employee Benefits	-	717,034

NOTE 5: CASH

Cash on Hand	12,471	13,696
Cash at Bank	14,560	14,566
Term Deposits	331,678	403,056
	<u>358,709</u>	<u>431,318</u>

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
PROFESSIONAL DIVISION**

NOTES TO AND FORMING PART OF THE 2001 FINANCIAL STATEMENTS

	2001 \$	2000 \$
NOTE 6: RECEIVABLES		
Sundry Debtors	2,073	13,412
Amount owing by National Executive - Long Service Leave	-	51,296
	2,073	64,708
	2,073	64,708

NOTE 7: PAYABLES

National Executive	426,951	441,319
Trade Creditors & Accruals	-	10,242
	421,341	451,561
	421,341	451,561

NOTE 8: PROVISIONS

CURRENT		
Annual Leave	-	67,399
	-	67,399
NON CURRENT		
Long Service Leave	-	61,773
	-	61,773

NOTE 9 : RELATED PARTY DISCLOSURES

In the previous year, CPSU, the Community and Public Sector Union, Professional Division, received funding from the National Body from time to time in order to fund its activities. The National Body received all subscriptions paid by Professional Division members during the previous year end. The National Body distributed funds to the Professional Division, in accordance with the budget for the 1999-2000- financial year.

In the current financial year, all operating expenses of the Division have been recognised in the accounts of National Executive (refer Note 13).

NOTE 10: CASH FLOW INFORMATION

(a) Reconciliation of Cash

For the purposes of the statement of cash flows,
Cash Includes:

Cash on hand	12,471	13,696
Cash at bank	14,560	14,566
Term deposits	331,678	403,056
	358,709	431,318
	358,709	431,318

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
PROFESSIONAL DIVISION**

NOTES TO AND FORMING PART OF THE 2001 FINANCIAL STATEMENTS

	2001	2000
	\$	\$
NOTE 10: CASH FLOW INFORMATION (Continued)		
(b) Reconciliation of Cash Flow from Operations with Operating Surplus/(Deficit)		
Operating Surplus/(deficit)	18,539	(136,381)
Changes in assets and liabilities		
Decrease in receivables	62,634	93,267
(Decease)/Increase in accounts payable	(24,610)	204,733
Decrease in provisions	(129,172)	(166,920)
	<u>-----</u>	<u>-----</u>
Cash flows from operations	<u>-----</u> <u>-----</u>	<u>-----</u> <u>-----</u>

NOTE 11: ACCUMULATED DEFICIT

Accumulated Deficit at the beginning of the financial year	(408,132)	(271,751)
Net Surplus/(Deficit) for the Year	18,539	(136,381)
	<u>-----</u>	<u>-----</u>
Accumulated (Deficit) at the End of the Financial Year	<u>-----</u> <u>-----</u>	<u>-----</u> <u>-----</u>

NOTE 12: FINANCIAL INSTRUMENTS

(a) Interest Rate Risk

Interest rate risk is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates. The Division's exposure to interest rate risk as at 30 June 2001 is limited to term deposits of \$353,099 which has a fixed weighted effective interest rate of 4.6%.

(b) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any provisions for doubtful debts, as disclosed in the statement of financial position and notes to the financial statements.

(c) Net Fair Values

For other assets and other liabilities, the net fair value approximates their carrying value.

No financial assets and financial liabilities are readily traded on organised markets in standardised form.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and notes to and forming part of the accounts.

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
PROFESSIONAL DIVISION**

NOTES TO AND FORMING PART OF THE 2001 FINANCIAL STATEMENTS

NOTE 13: SIGNIFICANT EVENT DURING THE YEAR

On 19 June 2001, the Deputy Industrial Registrar approved changes to certain rules pertaining to financial management. These included, amongst others, preparation of a single set of financial statements for the CPSU Group for the year ending 30 June 2002. As part of transitional arrangements, all assets (except fixed assets and bank accounts) and all liabilities (except those linked to fixed assets) were transferred from the Division to the National Executive on 30 June 2001. Furthermore, the funding for the operation of the Division was provided for and authorised through the National Management Committee, and all operating costs such as salaries etc of the Division have been recognised in the accounts of the National Executive.

NOTE 14: SUBSEQUENT EVENT AFTER BALANCE DATE

Subsequent to year end all funds, property and liabilities under the superintendence, management and control of the Division as at 30 June 2001, were transferred to the superintendence, management and control of the National Executive as part of the PSU Group National Funds and Property with effect from 1 July 2001. No financial statements of the Division will be prepared from 1 July 2001.



Haines Norton Chartered Accountants

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**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
PROFESSIONAL DIVISION**

**ADDITIONAL INFORMATION FOR THE BENEFIT OF MEMBERS
ON THE 2001 FINANCIAL STATEMENTS**

DISCLAIMER

The additional financial data presented in the Statement of Financial Performance is in accordance with the books and records of Community and Public Sector Union, PSU Group, Professional Division ("our client") which have been subjected to the auditing procedures applied in our statutory audit of the Union for the year ended 30th June 2001. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and no warranty of accuracy or reliability is given. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than our client) in respect of such data, including any errors or omissions therein however caused.

M D NICHOLAEFF
Partner

HAINES NORTON
Chartered Accountants

Sydney

Date: 28 May 2002

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
PROFESSIONAL DIVISION**

**DETAILED REVENUE AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2001**

	2001	2000
	\$	\$
INCOME		
Funding Income	-	1,132,309
Sundries	-	-
Interest Received	18,539	21,490
	-----	-----
Total Income	18,539	1,153,799
	-----	-----
LESS EXPENDITURE		
Salaries and Related Payments		
Annual Leave Provision	-	36,705
Salaries - Elected Officials	-	133,123
Honoraria and Allowances	-	960
Salaries - Staff	-	410,541
Superannuation	-	95,319
Payroll Tax	-	46,262
Workers' Compensation Insurance	-	2,978
Other Salaries	-	19,254
Increase in Long Service Leave Provision	-	22,092
Staff Training	-	635
Staff Relocation Expenses	-	1,450
	-----	-----
Total Salaries and Related Payments	-	769,319
Office Premises	-	95,064
Office Operation and Administration	-	19,109
Computer Operation and Maintenance	-	328
Furniture and Equipment	-	10
Printing and Stationery	-	4,436
Library Purchases	-	637
Broadsheets and Newsletters	-	1,992
Telephones	-	11,083
Postage and Freight	-	5,261
Representations	-	28,183
Meeting Expenses	-	8,317
Motor Vehicle Expenses	-	5,646
Legal and Professional Fees	-	22,680
Sundries including grants and donations	-	2,689
Membership Services	-	10,021
Professional Division Service Agreements	-	305,405
	-----	-----
Total Expenditure	-	1,290,180
	-----	-----
Operating Surplus/(Deficit)	18,539	(136,381)
	=====	=====

To be read in conjunction with the Notes to and forming part of the 2001 financial statements.