



**Australian Government**  
**Australian Industrial Registry**

Level 5, 11 Exhibition St, Melbourne Vic 3000  
GPO Box 1994, Melbourne, VIC 3001  
Tel: (03) 8661 7990 Fax: (03) 9655 0410

Mr Stephen Jones  
National Secretary  
CPSU, the Community and Public Sector Union  
PSU Group  
Level 6, 191-199 Thomas Street  
HAYMARKET NSW 2000

By email: [members@cpsu.org.au](mailto:members@cpsu.org.au)

Dear Mr Jones,

**Re: Financial Documents - year ended 30 June 2007 (FR2007/479)**  
**s253 Schedule 1 - Workplace Relations Act 1996 (RAO Schedule)**

I have received the revised Auditor's Report relating to the Financial Report for the CPSU, the Community and Public Sector Union – PSU Group for the year ended 30 June 2007. I have also received a statement relating to loans, grants and donations made by the organisation during the same period.

Thank you for forwarding the above information.

The Financial Report for the CPSU – PSU Group for year ending 30 June 2007 has now been filed.

The Loans, Grants and Donations Statement has been placed on a file that is not available to the general public in accordance with s237(4) of the RAO Schedule.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Andrew Schultz', written over a thin red vertical line.

Andrew Schultz  
Statutory Services Branch

11 February 2008



**Australian Government**  
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Level 6, 191-199 Thomas Street  
HAYMARKET NSW 2000

By email: [members@cpsu.org.au](mailto:members@cpsu.org.au)

Dear Mr Jones,

**Re: Financial Documents - year ended 30 June 2007 (FR2007/479)**

**s253 Schedule 1 - Workplace Relations Act 1996 (RAO Schedule)**

I have received the financial report for the CPSU, the Community and Public Sector Union – PSU Group for the year ended 30 June 2007. The report was lodged on 28 November 2007.

The documents have not yet been filed - the following matters require your further attention.

Auditor's Report incorrect

The Auditor's Report stated that the accounts were 'in accordance with Section 273 of the Workplace Relations Act 1996'. This reference is incorrect because s273 of the Act refers to *maternity leave*<sup>1</sup> not financial reporting.

The same error has occurred for the past three financial years. The Registry previously brought this to your attention in a letter dated 20 February 2007 (enclosed).

Accordingly you are requested to arrange with your auditor for a revised Auditor's Report to be lodged that complies with the requirements of s257 of the RAO Schedule. The following wording is considered to comply with s257 of the RAO Schedule:

*In my/our opinion the general purpose financial report is presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of Schedule 1 (RAO Schedule) of the Workplace Relations Act 1996.*

Loans, grants and donations

Note 5 to the Accounts indicated that a number of grants and donations were made in excess of \$1,000. Please lodge a signed statement relating to these grants and donations under s237 of the RAO Schedule.

Yours faithfully,

Andrew Schultz  
Statutory Services Branch

28 November 2007

<sup>1</sup> 273 Requirement to take leave – for 6 weeks after birth

*A continuous period of leave including (or constituted by) ordinary maternity leave must include a period of leave of at least 6 weeks starting from the date of birth of the child.*



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Level 5, 11 Exhibition St, Melbourne Vic 3000  
GPO Box 1994, Melbourne, VIC 3001  
Tel: (03) 8661 7990 Fax: (03) 9655 0410  
andrew.schultz@air.gov.au

Mr Stephen Jones  
National Secretary  
CPSU, the Community and Public Sector Union  
PSU Group  
Level 6, 191-199 Thomas Street  
HAYMARKET NSW 2000

By email: [members@cpsu.org.au](mailto:members@cpsu.org.au)

Dear Mr Jones,

**Re: Financial Documents - year ended 30 June 2006 (FR2006/351)**

**s253 Schedule 1 - Workplace Relations Act 1996 (RAO Schedule)**

I have received the financial report for the CPSU, the Community and Public Sector Union – PSU Group for the year ended 30 June 2006. The report was lodged on 23 January 2007. The Designated Officer's Certificate for these accounts was lodged on 20 February 2007.

The documents have been filed.

The following information is provided to assist in future years. No further action is required with respect to the lodged documents.

Provide documents to members by 30 November

The Designated Officer's Certificate states that the documents were provided to members on 23 January 2006 (it is assumed this was intended to read 23 January 2007).

Section 265(5)(b) of the RAO Schedule requires documents to be provided to members within 5 months of the end of the financial years - that is, by 30 November each year.

In future financial years please ensure that the financial documents are provided to members by 30 November.

Auditor's Report

The Auditor's opinion, as expressed in the Auditor's Report, did not specifically refer to the Australian Accounting Standards or the relevant provisions of the RAO Schedule as required by s257 of the RAO Schedule.

In future years your auditor should ensure that the wording of their opinion in the Auditor's Report complies with the requirements of s257(5) - the following wording is considered to comply:

*In my/our opinion the general purpose financial report is presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of Schedule 1 (RAO Schedule) of the Workplace Relations Act 1996.*

Please draw this to the attention of your Auditor.

Operating Report

The Operating Report did not include the following information required by s254:

- a list of office holders and the period they held office during the financial year, or
- details of the right of members to resign.

It is noted that the Operating Report in previous years did contain this information. Therefore it is recommended in future years that you return to that format – see *Attachment A*.

Accuracy of dates

The Designated Officer's Certificate for the past two years has contained an incorrect date of the kind mentioned above. In future financial years please ensure that the dates provided in all certificates are accurate.

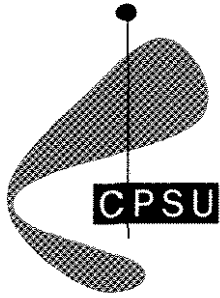
If you have any queries regarding any of the above issues please contact me.

Yours faithfully,



Andrew Schultz  
Statutory Services Branch

20 February 2007



17 December 2007

Mr Andrew Schultz  
Statutory Services Branch  
Australian Industrial Registry  
GPO Box 1994  
Melbourne VIC 3001

By Email: [andrew.schultz@air.gov.au](mailto:andrew.schultz@air.gov.au)

Dear Mr Schultz,

**RE: Financial Documents for the year ended 30 June 2007 (FR2007/479)**

In reference to your letter dated 28 November 2007, I provide the following response to the matters raised.

Auditor's Report Incorrect

We acknowledge this oversight by our Auditors and attach hereto the amended Auditor's report

Loans, Grants and Donations

The CPSU (PSU Group) statement of donations and grants in accordance with s237 of the RAO Schedule was lodged with the registry on 30 October 2007 (FR2007/10). Please see following a copy of the statement as lodged and a copy of the lodgement confirmation.

Please direct any further queries in relation to these issues directly to our Financial Controller, Mr Stephen Thompson. Stephen's direct phone number is 02 8204 6984.

Regards,

  
Stephen Jones  
National Secretary

## AUDITORS' REPORT

### TO THE MEMBERS OF THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP, GOVERNING COUNCIL

#### Scope

We have audited the financial report comprising the Income Statement, Statement of Changes in Equity, Balance Sheet, Cash Flow Statement and Notes to the Financial Statements of the CPSU, the Community and Public Sector Union for the year ended 30 June 2007. The Executive 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 National Executive.

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 Transitional Governing Council which is consistent with our understanding of the Transitional Governing Council's financial position and the results of its operations and its cash flows.

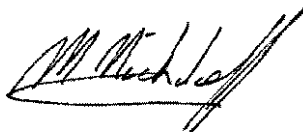
The audit opinion expressed in this report has been formed on the above basis.

#### Audit opinion

We have inspected and audited the accounting records kept by the CPSU, the Community and Public Sector Union in respect of the year ended 30 June 2007 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 general purpose financial report is presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of Schedule 1 (RAO Schedule) of the Workplace Relations Act 1996.



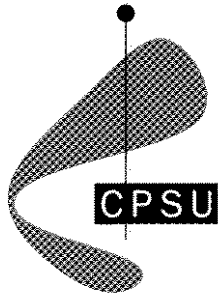
**M D Nicholaieff**

Partner

Signed at Sydney on 3 October 2007

*UHY Haines Norton*

**UHY HAINES NORTON**  
Chartered Accountants

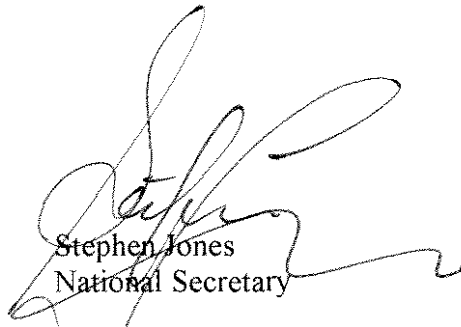


## Certificate Of Secretary

s268 of Schedule 1B Workplace Relations Act 1996

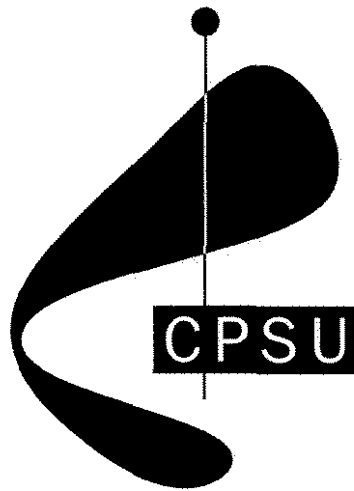
I, Stephen Jones being the National Secretary of the Community and Public Sector Union (PSU Group) certify:

- That the document lodged on the 27th of November 2007 is a copy of the full report as referred to in s268 of the RAO Schedule; and
- That the full report was provided to members on the 30th of October 2007; and
- That the full report was presented to a meeting of the committee of management of the reporting unit on the 20th of November 2007; in accordance with section 266 of the RAO Schedule



Stephen Jones  
National Secretary

27th November 2007



**The Community and Public Sector Union**

**PSU Group**

**Annual Report**

**Financial Year Ending 30<sup>th</sup> June 2007**



# **Operating Report**

**Financial Year Ending 30<sup>th</sup> June 2007**

CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP  
GOVERNING COUNCIL

OPERATING REPORT  
FOR THE YEAR ENDED 30 JUNE 2007

**From the National Secretary**

With the dedication and commitment of delegates, activists and members, the CPSU has emerged from the toughest industrial relations environment seen in Australia in more than a century in good shape to meet the challenges of the future.

More than 8000 people joined the CPSU in the 2006/07 financial year. Though overall membership numbers were slightly down year on year, we are already seeing a strong bounce back from new and innovative ways of recruiting. These include television ads being run in the ACT and Northern Territory and the union's continuing commitment to the Your Rights at Work and Join2Win campaigns.

Despite continual anti-union scare campaigns and attacks on the rights of workers to choose to be represented by a union, CPSU and its members achieved significant outcomes in many campaigns across our areas of coverage. These victories are the result of hard work by members, delegates and staff and the engagement of the great majority of workers in our campaigns.

Continuing growth is a priority for the CPSU, especially with the increasing rate of retirement of 'baby boomer' generation members. The stronger our membership base the more effective the union is in protecting and improving your pay and conditions.

Thank you for your continuing support. Members are the union. By listening to members, focusing on relevant issues and organising around what matters to you, CPSU will remain a vital union and continue to deliver positive outcomes for members.

Yours in Unity,



Stephen Jones  
CPSU National Secretary

CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP  
GOVERNING COUNCIL

OPERATING REPORT  
FOR THE YEAR ENDED 30 JUNE 2007

**About the CPSU**

The CPSU is one of Australia's most active and innovative trade unions. Membership is open to employees in a wide range of industries including:

- the public sector
- telecommunications
- broadcasting (both public and private)
- call centres
- employment services
- aviation
- science
- research.

CPSU's purpose is to win sustainable workplace, industrial and social justice through the power of organised members. To be successful the union needs to keep growing in size and influence.

**Principal activities**

During the period the CPSU negotiated more than 60 agency agreements. In addition to hundreds of media comments and internal publications, the union ran dozens of major campaigns and issued more than 700 bulletins to members.

During the year our Member Service Centre answered 5903 inquiries. The leading source of these enquiries included: workers' compensation; workplace disputes; bargaining; leave; remuneration and grading; redundancy. Of the inquiries received the MSC:

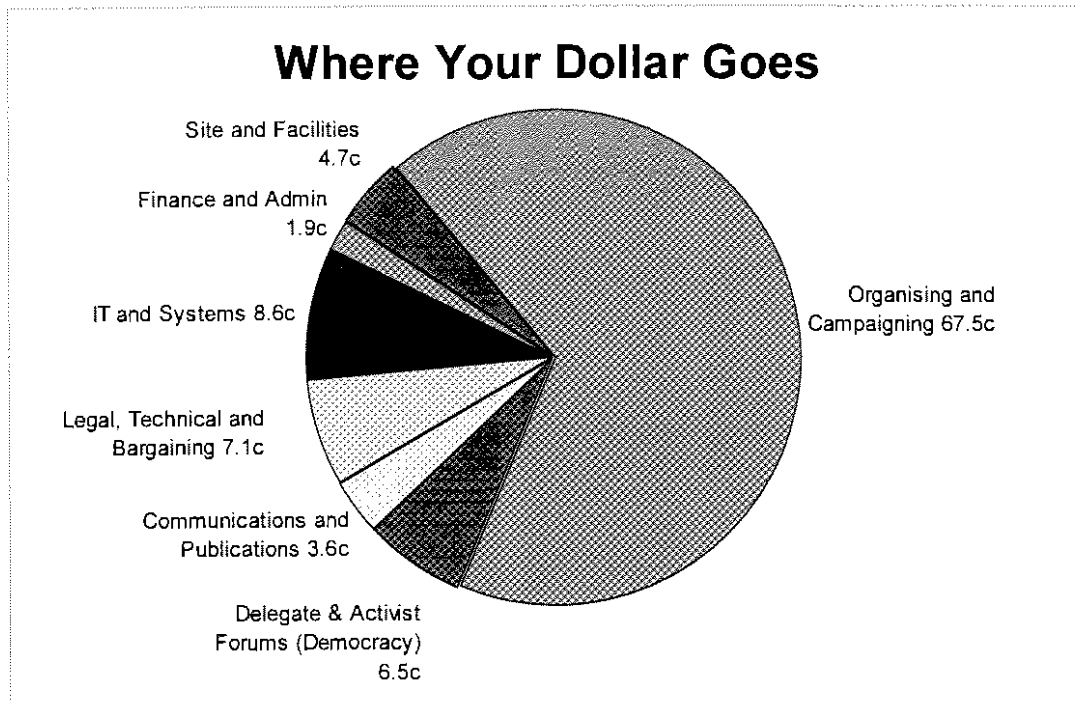
- completed 1264 matters
- made 157 legal referrals
- recovered 675 memberships.

Through effective financial management, accurate forecasting and efficient budgeting the CPSU ended the 2006/07 financial year with a modest surplus. This holds us in good stead to continue the push for recruitment and to win better agreements for members.

The CPSU employed a total number of 201 staff as at 30<sup>th</sup> June 2007

CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP  
GOVERNING COUNCIL

OPERATING REPORT  
FOR THE YEAR ENDED 30 JUNE 2007



## Membership

The CPSU (excluding CSIRO Section) had a total membership of 57,028 as at the 30<sup>th</sup> of June 2007.

Members have the right to resign in accordance with Schedule 1b s174 of the Workplace Relations Act 1996 in conjunction with CPSU rule 5.3 Resignation of Membership.

## Executive Committee

Persons who were members of the Executive Committee during the year are as follows:

| Name               | Period in Office           |
|--------------------|----------------------------|
| Stephen Jones      | 1 July 2006 – 30 June 2007 |
| Margaret Gillespie | 1 July 2006 – 30 June 2007 |
| Mark Gepp          | 1 July 2006 – 30 June 2007 |
| Lisa Newman        | 1 July 2006 – 30 June 2007 |
| Graham Rodda       | 1 July 2006 – 30 June 2007 |
| Louise Persse      | 1 July 2006 – 30 June 2007 |
| Michael Tull       | 1 July 2006 – 30 June 2007 |

CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP  
GOVERNING COUNCIL

OPERATING REPORT  
FOR THE YEAR ENDED 30 JUNE 2007

During the year the Executive Committee held four in face meetings and two by Teleconference.


|        |                 |                |
|--------|-----------------|----------------|
| 2.2006 | 4 – 5 July      | Sydney         |
| 3.2006 | 24 July         | Teleconference |
| 4.2006 | 26 – 27 October | Melbourne      |
| 5.2006 | 18 December     | Teleconference |
| 1.2007 | 5 – 6 February  | Sydney         |
| 2.2007 | 3 – 4 April     | Sydney         |

**Statement on Superannuation Trustees**

Peter Feltham is the CPSU officer who is known to be:

- i) a trustee of a superannuation entity or an exempt public sector superannuation scheme; or
- ii) a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme.

This report has been prepared in accordance with the requirements of the Registration and Accountability of Organisations (RAO) schedule 1b to the Workplace Relations Act 1996.



Stephen Jones  
National Secretary

02 October 2007

**General Purpose Financial Report**  
**Financial Year Ending 30<sup>th</sup> June 2007**

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP  
GOVERNING COUNCIL**

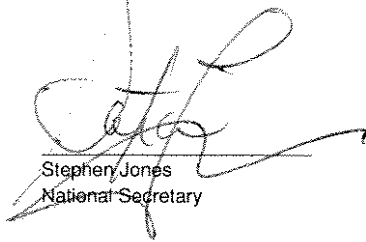
**COMMITTEE OF MANAGEMENT STATEMENT**

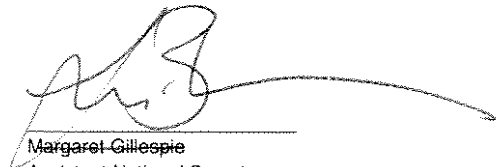
On 3 October 2007 the Committee of Management of CPSU Group Governing Council passed the following resolution in relation to the general purpose financial report of the reporting unit for the financial year ended 30 June 2007:

The Committee of Management declares in relation to the general purpose financial report that in its opinion:

- a) the financial statements and notes comply with Australian Accounting Standards;
- b) the financial statements and notes comply with the Reporting Guidelines of the Industrial Registrar;
- 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 relates;
- d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- e) during the financial year to which the general purpose financial report relates and since the end of that year:
  - i. meetings of the committee of management were held in accordance with the rules of the organisation including the rules of the branch concerned; and
  - ii. the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of the branch concerned; and
  - iii. the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
  - iv. where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as is practicable, in a consistent manner to each of the other reporting units of the organisation; and
  - v. the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO schedule has been furnished to the member or Registrar; and
  - vi. there have been no orders for inspection of the financial records made by the Commission under section 273 of the RAO schedule during the year.

For the Committee of Management:

  
Stephery Jones  
National Secretary

  
Margaret Gillespie  
Assistant National Secretary  
  
Lisa Newman  
Deputy National President

Dated at Sydney this 3RD day of October 2007.

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP  
GOVERNING COUNCIL  
INCOME STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2007**

|   | <u>Note</u> | <u>2007</u><br>\$       | <u>2006</u><br>\$     |
|---|-------------|-------------------------|-----------------------|
| Revenues from ordinary activities       | 4           | 21,740,530              | 21,703,984            |
| Depreciation and Amortisation           | 4           | (1,117,620)             | (1,035,496)           |
| Employee Benefits Expense               | 4           | (12,433,389)            | (11,999,205)          |
| Borrowing Costs                         |             | (1,816)                 | (2,926)               |
| Other expenses from ordinary activities |             | <u>(7,109,947)</u>      | <u>(7,881,836)</u>    |
| <b>TOTAL CHANGES IN EQUITY</b>          |             | <u><u>1,077,758</u></u> | <u><u>784,521</u></u> |

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



**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP  
GOVERNING COUNCIL  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2007**

|                               | Capital Profits<br>and Asset<br>Revaluation<br>Reserve | Death and<br>Benevolent<br>Fund | Superannuation<br>Trust Fund | General Fund      | Total             |
|-------------------------------|--|---------------------------------|------------------------------|-------------------|-------------------|
| <b>Balance at 1 July 2005</b> | 2,441,631  | 69,164                          | 16,584                       | 8,893,688         | 11,421,067        |
| Net Surplus for the Year      | <u>-</u>   | <u>-</u>                        | <u>-</u>                     | <u>784,521</u>    | <u>784,521</u>    |
|                               | <u>2,441,631</u>                                       | <u>69,164</u>                   | <u>16,584</u>                | <u>9,678,209</u>  | <u>12,205,588</u> |
| <b>Balance at 1 July 2006</b> | 2,441,631  | 69,164                          | 16,584                       | 9,678,209         | 12,205,588        |
| Net profit for the year       | <u>-</u>   | <u>-</u>                        | <u>-</u>                     | <u>1,077,758</u>  | <u>1,077,758</u>  |
|                               | <u>2,441,631</u>                                       | <u>69,164</u>                   | <u>16,584</u>                | <u>10,755,967</u> | <u>13,283,346</u> |

The accompanying notes form part of these financial statements.

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP  
GOVERNING COUNCIL  
BALANCE SHEET  
FOR THE YEAR ENDED 30 JUNE 2007**

|                                      | <u>Note</u> | <u>2007</u><br>\$ | <u>2006</u><br>\$ |
|--------------------------------------|-------------|-------------------|-------------------|
| <b>CURRENT ASSETS</b>                |             |                   |                   |
| Cash assets                          | 6           | 6,079,485         | 3,285,774         |
| Receivables                          | 7           | 261,691           | 196,942           |
| Other assets                         | 8           | <u>310,770</u>    | <u>310,592</u>    |
| <b>TOTAL CURRENT ASSETS</b>          |             | <u>6,651,946</u>  | <u>3,793,308</u>  |
| <b>NON-CURRENT ASSETS</b>            |             |                   |                   |
| Property, plant and equipment        | 10          | <u>11,902,177</u> | <u>12,796,470</u> |
| <b>TOTAL NON-CURRENT ASSETS</b>      |             | <u>11,902,177</u> | <u>12,796,470</u> |
| <b>TOTAL ASSETS</b>                  |             | <u>18,554,123</u> | <u>16,589,778</u> |
| <b>CURRENT LIABILITIES</b>           |             |                   |                   |
| Payables                             | 11          | 2,497,469         | 1,812,524         |
| Provisions                           | 12          | <u>995,577</u>    | <u>907,793</u>    |
| <b>TOTAL CURRENT LIABILITIES</b>     |             | <u>3,493,046</u>  | <u>2,720,317</u>  |
| <b>NON CURRENT LIABILITIES</b>       |             |                   |                   |
| Provisions                           | 12          | <u>1,777,731</u>  | <u>1,663,873</u>  |
| <b>TOTAL NON-CURRENT LIABILITIES</b> |             | <u>1,777,731</u>  | <u>1,663,873</u>  |
| <b>TOTAL LIABILITIES</b>             |             | <u>5,270,777</u>  | <u>4,384,190</u>  |
| <b>NET ASSETS</b>                    |             | <u>13,283,346</u> | <u>12,205,588</u> |
| <b>ACCUMULATED FUNDS</b>             |             |                   |                   |
| Reserves                             | 14          | 2,527,379         | 2,527,379         |
| General Fund Balance                 |             | <u>10,755,967</u> | <u>9,678,209</u>  |
| <b>TOTAL ACCUMULATED FUNDS</b>       |             | <u>13,283,346</u> | <u>12,205,588</u> |

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

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP  
GOVERNING COUNCIL  
CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2007**

|  | <u>Note</u> | <u>2007</u><br>\$       | <u>2006</u><br>\$       |
|--|-------------|-------------------------|-------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>        |             |                         |                         |
| Receipts from members and others                   |             | 21,428,960              | 21,547,055              |
| Payments to suppliers and employees                |             | (18,659,932)            | (19,597,723)            |
| Interest received                                  |             | 249,826                 | 131,819                 |
| Borrowing costs paid                               |             | <u>(1,816)</u>          | <u>(2,926)</u>          |
| Net cash provided by operating activities          | 15(b)       | <u>3,017,038</u>        | <u>2,078,225</u>        |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>         |             |                         |                         |
| Payment for property, plant and equipment          |             | (223,327)               | (1,367,411)             |
| Receipts for sale of property, plant and equipment |             | <u>-</u>                | <u>19,862</u>           |
| Net cash (used in) investing activities            |             | <u>(223,327)</u>        | <u>(1,347,549)</u>      |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>         |             |                         |                         |
| Repayment of Finance Leases                        |             | <u>-</u>                | <u>(53,816)</u>         |
| Net cash (used in) financing activities            |             | <u>-</u>                | <u>(53,816)</u>         |
| Net Increase in cash held                          |             | 2,793,711               | 676,860                 |
| Cash at beginning of financial year                |             | <u>3,285,774</u>        | <u>2,608,914</u>        |
| Cash at end of financial year                      |             | <u><u>6,079,485</u></u> | <u><u>3,285,774</u></u> |

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

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP  
GOVERNING COUNCIL  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards, Urgent Issues Group Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Workplace Relations Act 1966 and the alteration to rules as approved by the Industrial Registrar.

The financial report has also been prepared on the basis of historical costs and does not take into account changing money values, except land and building, which is stated at independent valuation. Cost is based on the fair values of the consideration given in exchange for assets.

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 by the National Council in the preparation of the financial statements.

**a. Statement of Compliance**

Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRSs ensures that the financial statements and notes comply with International Financial Reporting Standards.

CPSU group has prepared the financial statements in accordance with AIFRS from 1 July 2005.

**b. Impairment of Assets**

Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

**c. Property, Plant and Equipment**

Property, plant and equipment are brought to account at cost or independent valuation less, where applicable, any accumulated depreciation or amortisation.

The depreciable amount of all fixed assets and capitalised lease assets, excluding freehold land, is depreciated on a straight line basis over their useful lives commencing from the time the asset is held ready for use.

The depreciation rates used for each class of asset are:

| CLASS OF FIXED ASSET  | DEPRECIATION RATE |
|-----------------------|-------------------|
| Leasehold Improvement | over lease period |
| Computer System       | 20%               |
| Office Equipment      | 20%               |
| Motor Vehicles        | 20%               |

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.

**d. 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.

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP**  
**GOVERNING COUNCIL**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

**e. Employee Leave Entitlements**

Provision is made for the Union's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with entitlements arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at the amounts expected to be paid when the liability is settled plus related on-costs. Other employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

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

**f. Leases**

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the period in which they are incurred.

The National Council complies with AASB 117 in respect of finance leases. Finance leases are capitalised; a lease asset and liability equal to the present value of the minimum lease payments, excluding executory costs, are recorded at the inception of the lease. Contingent rentals are written off as an expense of the accounting period in which they are incurred. Capitalised lease assets are amortised on a straight line basis against the income of the accounting periods which are expected to benefit from their use.

**g. Investments**

Investments are stated at cost less provision for diminution in value. This represents seed funding to the wholly controlled company Shared Advantage Limited (formerly CPSU Advantage Limited). Dividend income is brought to account on a receipts basis.

**h. Revenue**

Revenue from the rendering of a service is recognised upon the delivery of service to the members.

Interest revenue is recognised on a proportional basis taking into account the interest rate applicable to the financial assets.

All revenue is stated net of the amount of goods and services tax (GST).

**i. Comparative Information**

Where necessary comparative amounts have been reclassified to facilitate preparation of the current year accounts.

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

In accordance with the requirements of the Workplace Relations Act 1996 Schedule 1B (RAO), the attention of members is drawn to the provisions of subsections (1), (2) and (3) of section 272 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 subsection (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 subsection (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.

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP  
GOVERNING COUNCIL  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007**

|   | 2007              | 2006              |
|---|-------------------|-------------------|
|   | \$                | \$                |
| <b>NOTE 3: REVENUE</b>                              |                   |                   |
| Operating activities                                |                   |                   |
| Subscriptions Received (net of refunds and charges) | 20,200,086        | 20,336,497        |
| Interest Received                                   | 249,826           | 131,819           |
| Management Fee - CSIRO Staff Association            | 90,032            | 60,000            |
| Rental Trading - CPSU Properties                    | 1,165,930         | 1,136,026         |
| Sundries  | 34,656            | 35,956            |
|   | <u>21,740,530</u> | <u>21,700,298</u> |
| Non-operating revenue                               |                   |                   |
| Proceeds on sale of Property, Plant and Equipment   | -                 | 3,686             |
|   | <u>-</u>          | <u>3,686</u>      |
| Total Revenue                                       | <u>21,740,530</u> | <u>21,703,984</u> |

**NOTE 4: SURPLUS FROM ORDINARY ACTIVITIES**

(a) Expenses

|  |                   |                   |
|--|-------------------|-------------------|
| Fees for payroll deduction for subscriptions | 23,362            | 20,968            |
| Depreciation and amortisation                |                   |                   |
| - Computer equipment                         | 108,827           | 154,493           |
| - Motor Vehicle                              | -                 | 2,298             |
| - Buildings                                  | 173,496           | 173,496           |
| - Office Equipment                           | 57,305            | 54,582            |
| - Telephone System                           | 25,757            | 76,536            |
| - Leased Office Equipment                    | 627               | 773               |
| - Leasehold Improvements                     | 89,709            | 124,087           |
| - Freehold Improvements                      | 184,396           | 167,320           |
| - Information Systems Project                | 477,503           | 281,911           |
| Total  |                   | 1,035,496         |
| Remuneration of Auditor                      |                   |                   |
| - Audit - Current Year                       | 43,000            | 32,000            |
| - Other Services                             | 5,550             | 4,025             |
| Employee Benefits                            |                   |                   |
| - Salaries                                   |                   |                   |
| Elected Officials                            | 730,157           | 978,052           |
| Employees                                    | 9,885,015         | 9,159,365         |
| - Long Service Leave                         |                   |                   |
| Elected Officials                            | 81,618            | 39,313            |
| Employees                                    | 216,425           | 368,165           |
| - Superannuation                             |                   |                   |
| Elected Officials                            | 115,894           | 136,345           |
| Employees                                    | 1,353,197         | 1,276,855         |
| Honoraria and Allowances                     | -                 | 11                |
| Other Related Expenses                       | 51,083            | 41,099            |
| Total Employee Benefits                      | <u>12,433,389</u> | <u>11,999,205</u> |
| Affiliation Fees                             | 395,655           | 399,876           |
| Legal and Professional Fees                  | 94,799            | 40,877            |

|   |   |       |
|---|---|-------|
| (b) Gain on Sale of Property, Plant and Equipment | - | 3,686 |
|---|---|-------|

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP  
GOVERNING COUNCIL  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007**

|   | 2007        | 2006        |
|---|-------------|-------------|
|   | \$          | \$          |
| <b>NOTE 5: GRANTS &amp; DONATIONS</b>   |             |             |
| Included in others expense from ordinary activities are grants and donations: |             |             |
| Trades and Labour Council WA  | 2,000       | -           |
| ACTU Member Connect Melbourne   | 2,750       | -           |
| Linda Burney Campaign   | 2,000       | -           |
| Centre for Policy Development   | 10,000      | -           |
| Australian People for Humanitarian Education & Aid Abroad                     | 44,000      | 44,000      |
| Trade Union Committee on Aboriginal Rights                                    | -           | 1,818       |
| Burnie Banton   | -           | 1,000       |
| Rotary Club of Canberra   | -           | 1,091       |
| ACTU  | -           | 142,100     |
|   | 60,750      | 190,009     |
| <b>NOTE 6: CASH</b>   |             |             |
| Cash on Hand  | 4,500       | 4,500       |
| Cash at Bank  | 5,952,644   | 3,163,373   |
| Term Deposits   | 122,341     | 117,901     |
|   | 6,079,485   | 3,285,774   |
| <b>NOTE 7: RECEIVABLES</b>  |             |             |
| Sundry debtors  | 261,691     | 196,942     |
|   | 261,691     | 196,942     |
| <b>NOTE 8: OTHER</b>  |             |             |
| Prepayments   | 279,830     | 276,647     |
| Security Deposit  |             |             |
| Owing by related party 18(a)  | 30,940      | 33,945      |
|   | 310,770     | 310,592     |
| <b>NOTE 9: FINANCIAL ASSETS</b>   |             |             |
| Seed Funding to Shared Advantage Limited                                      |             |             |
| - At cost   | 225,000     | 225,000     |
| - Less Provision for Diminution in Value                                      | (225,000)   | (225,000)   |
|   | -           | -           |
| <b>NOTE 10: PROPERTY, PLANT AND EQUIPMENT</b>                                 |             |             |
| <b>Land and Buildings</b>   |             |             |
| Freehold land and buildings at independent valuation 1998:                    |             |             |
| Thomas Street, Sydney   | 10,200,000  | 10,200,000  |
| Woods Street, Darwin  | 390,000     | 390,000     |
|   | 10,590,000  | 10,590,000  |
| Less Accumulated Depreciation   | (1,561,480) | (1,387,984) |
| <b>Net Land and Buildings</b>   | 9,028,520   | 9,202,016   |
| <b>Leasehold Improvements</b>   |             |             |
| Bourke Street, Melbourne  | 344,257     | 344,257     |
| Less - Equitable - CSIRO Section  | (44,240)    | (44,240)    |
|   | 300,017     | 300,017     |
| Hobart  | 6,935       | 6,935       |
| Creek Street, Brisbane  | 41,329      | 41,329      |
| Hay Street, Perth   | 157,927     | 157,927     |
| Brisbane Ave, Canberra  | 223,453     | 223,453     |
| Henley Beach Road, Adelaide   | 16,722      | 16,722      |
| Albert St, Brisbane   | 7,476       | -           |
|   | 753,859     | 746,383     |
| Less Accumulated Depreciation   | (635,623)   | (551,961)   |
| <b>Net Leasehold Improvements</b>   | 118,236     | 194,422     |

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP**  
**GOVERNING COUNCIL**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007**

|  | 2007        | 2006        |
|--|-------------|-------------|
|  | \$          | \$          |
| <b>NOTE 10: PROPERTY, PLANT AND EQUIPMENT (Cont'd)</b> |             |             |
| <b>Freehold Improvements</b>                           |             |             |
| Thomas Street, Sydney                                  | 1,841,170   | 1,799,286   |
| Woods Street, Darwin                                   | 3,525       | 3,525       |
|  | 1,844,695   | 1,802,811   |
| Less Accumulated Depreciation                          | (724,348)   | (539,952)   |
| <b>Net Freehold Improvements</b>                       | 1,120,347   | 1,262,859   |
| <b>Computer System</b>                                 |             |             |
| At Cost  | 3,195,933   | 3,187,971   |
| Less Accumulated Depreciation                          | (3,007,459) | (2,898,632) |
| <b>Net Computer System</b>                             | 188,474     | 289,339     |
| <b>Office Equipment</b>                                |             |             |
| At Cost  | 2,667,616   | 2,628,386   |
| Less Accumulated Depreciation                          | (2,434,814) | (2,377,509) |
| <b>Net Office Equipment</b>                            | 232,802     | 250,877     |
| <b>Leased Office Equipment</b>                         |             |             |
| At Cost  | 14,415      | 14,415      |
| Less Accumulated Depreciation                          | (11,744)    | (11,117)    |
| <b>Net Leased Office Equipment</b>                     | 2,671       | 3,298       |
| <b>Telephone System</b>                                |             |             |
| At Cost  | 935,539     | 935,539     |
| Less Accumulated Depreciation                          | (903,342)   | (877,585)   |
| <b>Net Telephone System</b>                            | 32,197      | 57,954      |
| <b>Information Systems Project</b>                     |             |             |
| At Cost  | 213,406     | 213,406     |
| Less Accumulated Depreciation                          | (145,827)   | (103,146)   |
| <b>Net Information Systems Project</b>                 | 67,579      | 110,260     |
| <b>CRM/Membership System</b>                           |             |             |
| At Cost  | 1,773,664   | 1,707,356   |
| Less Accumulated Depreciation                          | (722,779)   | (281,911)   |
| <b>Net CRM/Membership System</b>                       | 1,050,885   | 1,425,445   |
| <b>Website</b>   |             |             |
| At Cost  | 60,466      | -           |
| <b>Net CRM/Membership System</b>                       | 60,466      | -           |
| <b>Total Property, Plant and Equipment</b>             | 11,902,177  | 12,796,470  |



**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP  
GOVERNING COUNCIL  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007**

**NOTE 10: PROPERTY, PLANT AND EQUIPMENT (Cont'd)**

**(a) Movements in Carrying Amounts**

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

|                             | Balance at<br>beginning of<br>year | Additions      | Disposals | Depreciation<br>expense | Carrying<br>amount at end<br>of year |
|-----------------------------|------------------------------------|----------------|-----------|-------------------------|--------------------------------------|
| Land and Buildings          | 9,202,016                          |                |           | (173,496)               | 9,028,520                            |
| Leasehold Improvements      | 194,422                            | 7,477          |           | (89,709)                | 112,190                              |
| Freehold Improvements       | 1,262,859                          | 41,884         |           | (184,396)               | 1,120,347                            |
| Computer Equipment          | 289,339                            | 7,962          |           | (108,827)               | 188,474                              |
| Office Equipment            | 250,877                            | 39,230         |           | (57,305)                | 232,802                              |
| Leased Office Equipment     | 3,298                              |                |           | (627)                   | 2,671                                |
| Website                     | -                                  | 60,466         |           | -                       | 60,466                               |
| Telephone System            | 57,954                             |                |           | (25,757)                | 32,197                               |
| Information Systems Project | 110,260                            |                |           | (36,636)                | 73,624                               |
| CRM/Membership System       | 1,425,445                          | 66,308         |           | (440,867)               | 1,050,886                            |
| <b>TOTAL</b>                | <b>12,796,470</b>                  | <b>223,327</b> | <b>-</b>  | <b>(1,117,620)</b>      | <b>11,902,177</b>                    |

| 2007 | 2006 |
|------|------|
| \$   | \$   |

**NOTE 11: PAYABLES**

**CURRENT**

|                               |                  |                  |
|-------------------------------|------------------|------------------|
| Accounts Payable and Accruals | 1,910,837        | 1,270,813        |
| GST Payable                   | 464,291          | 353,810          |
| Legal Cost                    | -                | 70,000           |
| Rental Bond                   | 122,341          | 117,901          |
|                               | <u>2,497,469</u> | <u>1,812,524</u> |

**NOTE 12: PROVISIONS (EMPLOYEE ENTITLEMENTS)**

**CURRENT**

|                   |                |                |
|-------------------|----------------|----------------|
| Annual Leave      |                |                |
| holders of office | 118,849        | 73,627         |
| other employees   | 876,728        | 834,166        |
|                   | <u>995,577</u> | <u>907,793</u> |

**NON CURRENT**

|                                      |                  |                  |
|--------------------------------------|------------------|------------------|
| Long Service Leave                   |                  |                  |
| holders of office                    | 359,541          | 277,923          |
| other employees                      | 1,418,190        | 1,385,950        |
|                                      | <u>1,777,731</u> | <u>1,663,873</u> |
| Aggregate Employee Benefit Liability | <u>2,773,308</u> | <u>2,571,666</u> |

|                                 |     |     |
|---------------------------------|-----|-----|
| Number of employees at year end | 201 | 193 |
|---------------------------------|-----|-----|

**NOTE 13: CAPITAL AND LEASING**

a) Operating Lease Commitments

Payable:

- not later than 1 year
 444,007 | 885,565 |

- later than 1 year but not later than 5 years
 503,380 | 860,364 |

Balance at the end of the year
 947,387 | 1,745,929 |

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP  
GOVERNING COUNCIL  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007**

|   | 2007      | 2006      |
|---|-----------|-----------|
|   | \$        | \$        |
| <b>NOTE 14: RESERVES</b>  |           |           |
| Capital Profits and Asset Revaluation Reserve                                 | 2,441,631 | 2,441,631 |
| Death and Benevolent Fund (a)   | 69,164    | 69,164    |
| Superannuation Trust Fund   | 16,584    | 16,584    |
| Balance at the end of the year  | 2,527,379 | 2,527,379 |
| <br>  |           |           |
| (a) Death and Benevolent Fund   |           |           |
| Balance brought forward   | 69,164    | 69,164    |
| Payments  | -         | -         |
| Balance carried forward   | 69,164    | 69,164    |
| <br>  |           |           |
| <b>NOTE 15: CASH FLOW INFORMATION</b>   |           |           |
| <b>(a) Reconciliation of Cash</b>   |           |           |
| For the purposes of the statement of cash flows, cash includes:               |           |           |
| Cash on Hand  | 4,500     | 4,500     |
| Cash at Bank  | 5,952,644 | 3,163,373 |
| Term Deposits   | 122,341   | 117,901   |
|   | 6,079,485 | 3,285,774 |
| <br>  |           |           |
| <b>(b) Reconciliation of Cash Flow from Operations with Operating Surplus</b> |           |           |
| Operating surplus   | 1,077,758 | 784,521   |
| Non cash flow in operating surplus:   |           |           |
| Depreciation and amortisation   | 1,117,620 | 1,035,496 |
| (Gain) on sale of assets  | -         | (3,686)   |
| Changes in assets and liabilities:  |           |           |
| (Increase)/Decrease in trade debtors  | (64,749)  | (21,424)  |
| (Increase)/Decrease in prepayments  | (3,183)   | (131,785) |
| (Increase)/Decrease in other assets   | 3,005     | (4,450)   |
| Increase/(Decrease) in provisions   | 201,642   | 131,177   |
| Increase/(Decrease) in trade creditors  | 684,945   | 288,376   |
| Net cash provided by operating activities                                     | 3,017,038 | 2,078,225 |

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP  
GOVERNING COUNCIL  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007**

|   | 2007   | 2006   |
|---|--------|--------|
|   | \$     | \$     |
| <b>NOTE 16: RELATED PARTY INFORMATION</b> |        |        |
| <b>(a) Receivable from Related Party</b>  |        |        |
| Shared Advantage Limited                  | 30,940 | 33,945 |
|   | 30,940 | 33,945 |

**(b) CSIRO Members**

CPSU, the Community and Public Sector Union, Governing Council, received all subscriptions paid by members during 2006/2007 other than subscriptions paid by CSIRO Section members.

**(c) Remuneration of Elected Officials**

Persons holding the position of full-time elected officials during the year of the National Council, or the branches/sections and the Professional Division:

| <b>Name</b>        | <b>Period in Office</b>    |
|--------------------|----------------------------|
| Stephen Jones      | 1 July 2006 - 30 June 2007 |
| Margaret Gillespie | 1 July 2006 - 30 June 2007 |
| Mark Gepp          | 1 July 2006 - 30 June 2007 |
| Lisa Newman        | 1 July 2006 - 30 June 2007 |
| Graham Rodda       | 1 July 2006 - 30 June 2007 |
| Louise Persse      | 1 July 2006 - 30 June 2007 |
| Michael Tull       | 1 July 2006 - 30 June 2007 |

**NOTE 17: 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 National Council's exposure to interest rate risk as at 30 June 2007 is limited to cash and term deposits of \$6,079,485.

**(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 financial statements.

**NOTE 18: CONTINGENT LIABILITIES**

**(a) Guarantees**

|                                  |         |         |
|----------------------------------|---------|---------|
| Guarantees for security deposits | 121,044 | 121,044 |
| Other guarantees                 | -       | 24,725  |
|                                  | 121,044 | 145,769 |

**(b) The Union is defending a litigation relating to the recovery of members superannuation. Maximum exposure should the Union not be successful in its defence is estimated at \$188,000.**

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP  
GOVERNING COUNCIL**

**INCOME STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2007**

|   | <u>2007</u>       | <u>2006</u>       |
|---|-------------------|-------------------|
|   | \$                | \$                |
| <b>REVENUE</b>                                      |                   |                   |
| Subscriptions Received (net of refunds and charges) | 20,200,086        | 20,336,497        |
| Interest Received                                   | 249,826           | 131,819           |
| Management Fees                                     | 90,032            | 60,000            |
| Rental Income                                       | 1,165,930         | 1,136,026         |
| Sundries  | 34,656            | 35,956            |
| Gain/Loss on Sale of Asset                          | -                 | 3,686             |
| <b>TOTAL REVENUE</b>                                | <u>21,740,530</u> | <u>21,703,984</u> |
| <b>LESS EXPENDITURE</b>                             |                   |                   |
| Salaries and Related Payments                       |                   |                   |
| - Elected Officials                                 | 730,157           | 978,052           |
| - Fringe Benefits Tax                               | 4,919             | 2,530             |
| - Honoraria and Allowances                          | -                 | 11                |
| - Long Service Leave Provision                      | 298,043           | 407,478           |
| - Other Salaries                                    | 51,083            | 41,099            |
| - Payroll Tax                                       | 679,679           | 645,551           |
| - Employee Salaries                                 | 9,885,015         | 9,159,365         |
| - Superannuation                                    | 1,469,091         | 1,413,200         |
| - Workers' Compensation Insurance                   | 228,939           | 267,897           |
| - Other related expenses                            | 285,319           | 339,235           |
| Total Salaries and Related Payments                 | <u>13,632,245</u> | <u>13,254,418</u> |
| Affiliation fees                                    | 395,655           | 399,876           |
| Audit and Accounting Fees                           | 48,995            | 16,958            |
| Bank Charges  | 3,231             | 3,041             |
| Consultants Fees                                    | -                 | -                 |
| Computer Operation and Maintenance                  | 578,511           | 488,831           |
| Depreciation and Amortisation                       | 1,117,620         | 1,035,496         |
| Donations   | 62,157            | 191,589           |
| Furniture and Equipment                             | 66,972            | 70,805            |
| Interest Expense and line fees                      | 1,816             | 2,926             |
| Legal and Professional fees                         | 94,799            | 40,877            |
| Library Purchases                                   | 46,834            | 46,806            |
| Membership Services                                 | 4,941             | 39,096            |
| Motor Vehicle Expenses                              | 312,833           | 334,692           |
| Office Operation and Administration                 | 935,221           | 1,090,767         |
| Office Premises and Relocation                      | 943,046           | 840,268           |
| Postage and Freight                                 | 82,179            | 69,348            |
| Publications (includes printing costs)              | 243,052           | 532,825           |
| Representations                                     | 1,172,561         | 1,271,458         |
| Telephones  | 920,104           | 1,189,386         |
|   | <u>7,030,527</u>  | <u>7,665,045</u>  |
| Total Expenditure                                   | <u>20,662,772</u> | <u>20,919,463</u> |
| <b>Operating Surplus for the year</b>               | <u>1,077,758</u>  | <u>784,521</u>    |

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP  
GOVERNING COUNCIL**

**INCOME STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2007**

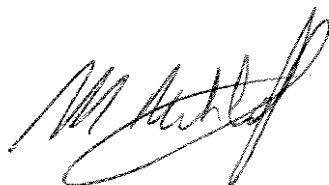
|                                     | <u>2007</u>              | <u>2006</u>              |
|-------------------------------------|--------------------------|--------------------------|
|                                     | \$                       | \$                       |
| Net Member Subscriptions            | 20,200,087               | 20,336,497               |
| Other Income                        | <u>374,513</u>           | <u>231,690</u>           |
| <b>Total Income</b>                 | <b>20,574,600</b>        | <b>20,568,187</b>        |
|                                     |                          |                          |
| Organising and campaigning          | 13,165,735               | 13,893,762               |
| Union Democracy and Representation  | 1,277,018                | 1,378,068                |
| Communications and Publications     | 702,567                  | 870,496                  |
| Legal, Technical and Bargaining     | 1,376,431                | 859,254                  |
| Information Technology and Systems  | 1,678,641                | 1,447,616                |
| Finance and Administrative Overhead | 377,712                  | 407,235                  |
| Site and Facilities                 | <u>918,738</u>           | <u>927,235</u>           |
| <b>Total expense</b>                | <b><u>19,496,842</u></b> | <b><u>19,783,666</u></b> |
| <b>Operating Surplus</b>            | <b><u>1,077,758</u></b>  | <b><u>784,521</u></b>    |

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP  
GOVERNING COUNCIL**


**ADDITIONAL INFORMATION FOR THE BENEFIT OF MEMBERS  
ON THE 2007 FINANCIAL ACCOUNTS**

**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, National Council which have been subjected to the auditing procedures applied in our statutory audit of the Union for the year ended 30 June 2007. 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



**UHY HAINES NORTON**  
Chartered Accountants

Dated at Sydney 3 October 2007

# **Auditor's Report**

**Financial Year Ending 30<sup>th</sup> June 2007**

## AUDITORS' REPORT

### TO THE MEMBERS OF THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP, GOVERNING COUNCIL

#### Scope

We have audited the financial report comprising the Income Statement, Statement of Changes in Equity, Balance Sheet, Cash Flow Statement and Notes to the Financial Statements of the CPSU, the Community and Public Sector Union for the year ended 30 June 2007. The Executive 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 National Executive.

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 Transitional Governing Council which is consistent with our understanding of the Transitional Governing Council'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 in respect of the year ended 30 June 2007 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 2007; and
- b. the income and expenditure, and surplus of the organisation, for the year ended on that date.



**M D Nicholaeff**  
Partner

Signed at Sydney on 3 October 2007



**UHY HAINES NORTON**  
Chartered Accountants