



FAIR WORK
AUSTRALIA

30 December 2011

Ms Nadine Flood
National Secretary
The CPSU, the Community and Public Sector Union
PSU Group
191-199 Thomas Street
SYDNEY NSW 2000
By email: nadine.flood@cpsu.org.au

Dear Ms Flood

Financial report for year ended 30 June 2011 – FR2011/2558
Fair Work (Registered Organisations) Act 2009 – (RO Act)
Fair Work (Registered Organisations) Regulations 2009 – (RO Regulations)

I acknowledge receipt of the financial report for the CPSU, the Community and Public Sector Union - PSU Group for the year ended 30 June 2011. The financial report was lodged with Fair Work Australia (FWA) on 20 December 2011.

The financial report has been filed.

Although the report has been filed please ensure the following comments are noted and implemented in future financial reports. No further action is required for this filed financial report.

1. Addressee of the Auditor's Report

Section 253 of the RO Act provides that a reporting unit must cause a general purpose financial report (GPFR) to be prepared and s.265(1) states that the GPFR, auditor's report and operating report must be provided to the members. Accordingly, the auditor's report on the GPFR should be addressed to the members of the reporting unit and not just to the members of the reporting unit Governing Council. This was mentioned in our letter to you dated 11 February 2011 regarding the previous year's financial report.

Please forward a copy of this letter to your auditor to ensure this is complied with in future.

2. Operating Report

Please ensure the operating report is dated.

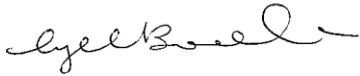
3. Update Legislation in the Committee of Management Statement and Note 2 of Financial Report

Items (b), (e)(iii), (e)(v) and (e)(vi) of the Statement and Note 2 refer to the previous legislation. Please update the Statement with the current equivalent terms/legislation.

Industrial Registrar/Registrar	General Manager of FWA
RAO Schedule	<i>Fair Work (Registered Organisations) Act 2009</i>
RAO Regulations	<i>Fair Work (Registered Organisations) Regulations 2009</i>

If you wish to discuss any matters contained in this correspondence I may be contacted on (03) 8661 7989 (Tuesday – Friday) or by email at cynthia.lobooth@fwa.gov.au

Yours sincerely

A handwritten signature in black ink, appearing to read 'Cynthia Lo-Booth', with a stylized flourish at the end.

Cynthia Lo-Booth
Organisations, Research and Advice



Community and Public Sector Union (PSU Group)

ABN 30 987 910 747

Certificate Of Secretary

s268 *Fair Work (Registered Organisations) Act 2009*

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

- that the documents lodged herewith are copies of the full report, referred to in s268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members on the 22nd of November 2011; and
- that the full report was presented to a meeting of the committee of management of the reporting unit on the 16th of December 2011; in accordance with section 266 of the *Fair Work (Registered Organisations) Act 2009*.

A handwritten signature in black ink, appearing to read 'N Flood', is written over a faint, larger version of the signature.

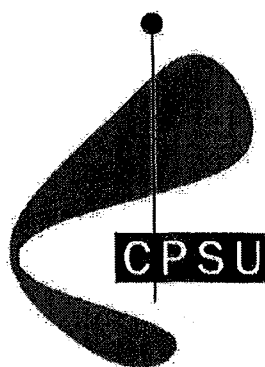
Nadine Flood
National Secretary

20th of December 2011

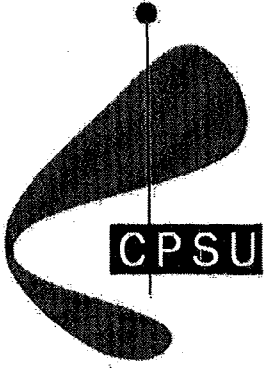


**CPSU, The Community and Public Sector Union
PSU Group**

**Annual Financial Report
Year Ending 30 June 2011**



stronger together



CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP

OPERATING REPORT

FOR THE YEAR ENDED 30 JUNE 2011

stronger together

FROM THE NATIONAL SECRETARY

As we reflect on the momentous year 2010-11, we can be proud of all we have achieved together. We end the year in the best financial position since the late 1990s and with increased membership and stronger delegate structures.

APS BARGAINING

We knew that negotiating new agreements for 160,000 workers in 4,000 APS workplaces at the same time would be difficult and this meant we had to innovate like never before.

Significant work to increase our campaigning capacity has delivered a larger and stronger network of workplace leaders that are delivering good outcomes in a difficult bargaining round.

To date, this has delivered:

- successful 'No' campaigns in 23 agencies, covering over 120,000 APS employees;
- changes in the Government's position on key industrial entitlements, including superannuation and redundancy and redeployment;
- improvements in bargaining offers being made by agencies; and
- improved pay outcomes through strong industrial campaigns, including 11% pay increases over three years in DIAC, a minimum of 11% in ABS and an average of 10.94% in Customs.

The union's significant program of increased investment in our workplace leaders has resulted in a stronger and more engaged network of delegates and representatives.

Over the last year we have seen delegates being able to take on increased responsibility at the bargaining table through our union's investment in delegate support, mentoring programs and in negotiating improved workplace delegates' rights.

The industrial and organising outcomes achieved through bargaining to date show that the resources our union committed to meeting these challenges were well placed.

BEYOND THE APS

Meanwhile outside the APS, we have also secured new agreements in:

- The CSIRO (through the CSIRO Staff Association)
- The ACT Public Service
- Commercial TV (through our Commercial Television Guild)

LIFTING OUR PUBLIC PROFILE

The CPSU has been lifting our public profile with increased media attention and engagement in government, union and other forums including:

- Support and funding for cultural institutions through our Cultural Institutions Network
- Support and funding for issues affecting Aboriginal and Torres Strait Islander members, through our National Aboriginal and Torres Strait Islander Cabinet (NATSIC)
- Improving support and funding for in-house programming at the ABC
- Support and funding for science through our "Respect the Science" campaign
- Support for quality public services, working with the Centre for Policy Development

GROWTH AND DELEGATES

Continuing membership growth has been a priority for the CPSU. The good news is that 8,208 new members joined our union in 2010-11, with an overall membership increase of 508. This growth can be attributed to a variety of our union's programs, including increased delegate support, improved access to new starter induction sessions and strong agreement bargaining campaigns. Our total membership as at 30 June 2011 was 54,994 (excluding CSIRO Section).

In 2011, the CPSU introduced a new member online survey sent to all workers joining the union. The survey has provided an important insight into new members' reasons for joining and will assist us in targeting resources to maximise new member recruitment.

Members have the right to resign in accordance with s174 of the Fair Work (Registered Organisation) Act 2009 and in conjunction with CPSU rule 5.3 Resignation of Membership.

In 2010-11 984 new delegates and deputy delegates were elected to become workplace leaders for our union. 652 delegates received formal training.

We have seen unprecedented activity from our delegates over the last financial year, including:

- Leading bargaining teams
- Driving workplace activities and campaigns
- Working with delegates from other agencies in cross-agency campaigning activities
- Leading protected industrial action campaigns

MAKING A DIFFERENCE

This year, through our National Torres Strait Islander Cabinet, the CPSU launched a major survey of Aboriginal and Torres Strait Islander members employed in the Australian Public Service. The survey was designed to identify ways to improve the attraction and retention of Aboriginal and Torres Strait Islander employees through bargaining.

In addition to overwhelming support for existing targets and specific strategies in agency agreements, there were some great new ideas presented by members. The survey also gave some invaluable insights into particular problems faced by this group of our members.

PROTECTING PEOPLE AT WORK

The CPSU made a submission to Safe Work Australia on the Draft Model Work Health and Safety Regulations and model Codes of Practice. The submission addressed important issues such as compulsory training for health and safety representatives, the inclusion of regulations on psychosocial hazards, hazard identification and risk assessment and retention of the Code of Practice on Safety in Laboratories.

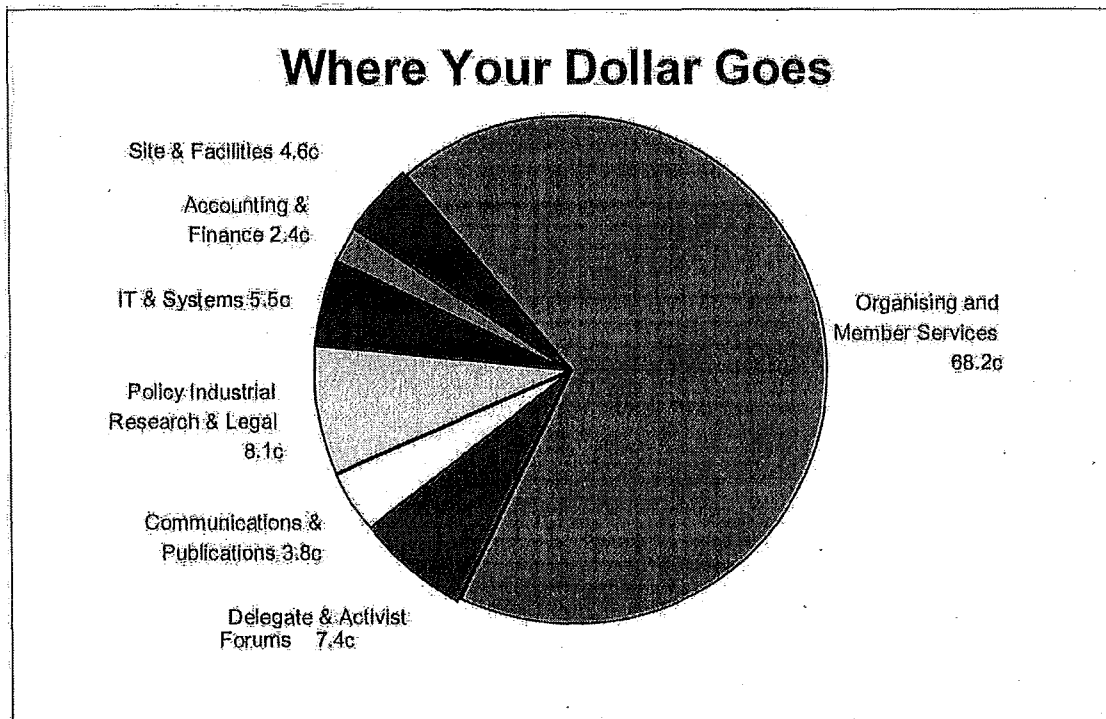
FINANCE MATTERS

Through effective financial management, accurate forecasting, efficient budgeting and 99.75% member financiality, the CPSU ended the 2010–11 financial year with a modest surplus.

This has enabled the union to adequately resource its agenda for the past financial year without compromising our sound financial position.

The CPSU employed a total number of 220 staff as at 30 June 2011.

We continue to allocate the majority of resources directly to organising.



EXECUTIVE COMMITTEE

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

Name	Period in Office
Lisa Newman	1 July 2010 – 30 June 2011
Louise Persse	1 July 2010 – 30 June 2011
Michael Tull	1 July 2010 – 30 June 2011
Nadine Flood	1 July 2010 – 30 June 2011
Rupert Evans	1 July 2010 – 30 June 2011
Kristin Van Barneveld	1 July 2010 – 30 June 2011
Alistair Waters	1 July 2010 – 30 June 2011

During the year the Executive Committee held six in face meetings:

Meeting Number	Date	Location
6.2010	24 – 25 August 2010	Sydney
7.2010	14 – 15 October 2010	Sydney
8.2010	24 – 25 November 2010	Sydney
1.2011	27 – 28 January 2011	Sydney
2.2011	1 – 2 March 2011	Sydney
3.2011	2 – 3 June 2011	Melbourne

STATEMENT ON SUPERANNUATION TRUSTEES

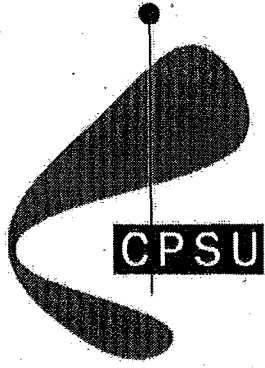
Peter Feltham, Louise Persse and Kristin Van Barneveld are CPSU officers who are known be:

- 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 Fair Work (Registered Organisations) Act 2009



Nadine Flood
National Secretary



CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP

GENERAL PURPOSE FINANCIAL REPORT

stronger together

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

**Annual Financial Report For The Year Ended
30 June 2011**

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
GOVERNING COUNCIL
30 JUNE 2011**

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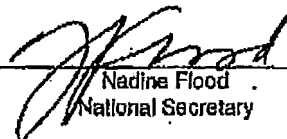
**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
GOVERNING COUNCIL
COMMITTEE OF MANAGEMENT STATEMENT**

On 21-11-2011 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 2011:


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 relate;
- d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- e) during the financial year to which the general purpose financial report relates and since the end of that year:
 - i. meetings of the committee of management were held in accordance with the rules of the organisation including the rules of the branch concerned; and
 - ii. the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of the branch concerned; and
 - iii. the financial records of the reporting unit have been kept and maintained in accordance with the 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:



Nadine Flood
National Secretary



Louise Persse
Assistant National Secretary

Dated this 21st day of NOVEMBER 2011

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
GOVERNING COUNCIL
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2011**

	Note	2011 \$	2010 \$
Revenue	3	28,209,221	27,223,871
Depreciation and Amortisation	4	(615,107)	(892,828)
Employee Benefits Expense	4	(17,108,463)	(16,445,186)
Other expenses from ordinary activities	4	<u>(9,903,867)</u>	<u>(9,106,169)</u>
INCOME FOR THE YEAR		<u><u>581,785</u></u>	<u><u>779,688</u></u>
Other Comprehensive income:			
Net gain on revaluation of land and buildings		-	6,346,757
Total comprehensive income for the year		<u><u>581,785</u></u>	<u><u>7,126,445</u></u>

The accompanying notes form part of these financial statements.

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
GOVERNING COUNCIL
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2011**

	Note	2011 \$	2010 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	11,846,206	11,137,690
Trade and other receivables	7	237,002	232,842
Other assets	8	<u>657,083</u>	<u>354,727</u>
TOTAL CURRENT ASSETS		<u>12,740,291</u>	<u>11,725,259</u>
NON-CURRENT ASSETS			
Property, plant and equipment	10	<u>16,050,277</u>	<u>16,445,440</u>
TOTAL NON-CURRENT ASSETS		<u>16,050,277</u>	<u>16,445,440</u>
TOTAL ASSETS		<u>28,790,568</u>	<u>28,170,699</u>
CURRENT LIABILITIES			
Trade and other payables	11	3,359,694	3,532,378
Short term provisions	12	<u>1,762,686</u>	<u>1,732,427</u>
TOTAL CURRENT LIABILITIES		<u>5,122,380</u>	<u>5,264,805</u>
NON-CURRENT LIABILITIES			
Provisions	12	<u>516,693</u>	<u>327,184</u>
TOTAL NON-CURRENT LIABILITIES		<u>516,693</u>	<u>327,184</u>
TOTAL LIABILITIES		<u>5,639,073</u>	<u>5,591,989</u>
NET ASSETS		<u>23,151,495</u>	<u>22,578,710</u>
EQUITY			
Reserves	14	10,345,946	10,354,946
General Fund Balance		<u>12,805,548</u>	<u>12,223,764</u>
		<u>23,151,495</u>	<u>22,578,710</u>

The accompanying notes form part of these financial statements.

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
GOVERNING COUNCIL
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2011**

	Capital Profits and Asset Revaluation Reserve	Death and Benevolent Fund	Levy Reserve	Superannuation Trust Fund	General Fund	Total
Balance at 1 July 2009	2,441,631	69,164	1,489,810	16,584	11,444,076	15,461,265
Funds used	-	(9,000)	-	-	-	(9,000)
Net income for the year	-	-	-	-	779,688	779,688
Reserve increment	6,346,757	-	-	-	-	6,346,757
Balance at 30 June 2010	8,788,388	60,164	1,489,810	16,584	12,223,764	22,578,710
Funds used	-	(9,000)	-	-	-	(9,000)
Net income for the year	-	-	-	-	581,785	581,785
Balance at 30 June 2011	8,788,388	51,164	1,489,810	16,584	12,805,548	23,151,495

The accompanying notes form part of these financial statements.

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
GOVERNING COUNCIL
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2011**

	Note	2011 \$	2010 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members and others		27,318,600	27,057,499
Payments to suppliers and employees		(26,974,245)	(25,010,634)
Interest received		584,105	390,571
Net cash provided by operating activities	15	<u>928,460</u>	<u>2,437,436</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		(219,944)	(314,964)
Net cash used in investing activities		<u>(219,944)</u>	<u>(314,964)</u>
Net increase in cash held		708,516	2,122,472
Cash at beginning of financial year		11,137,690	9,015,218
Cash at end of financial year	6	<u><u>11,846,206</u></u>	<u><u>11,137,690</u></u>

The accompanying notes form part of these financial statements.

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
GOVERNING COUNCIL
NOTE TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

Note 1 Statement of Significant Accounting Policies

Basis of preparation

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Fair Work (Registered Organisations) Act 2009 and the alteration to rules as approved by the industrial registrar.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

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 Governing Council in the preparation of the financial statements.

(a) Statement of Compliance

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

(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

Plant and equipment are brought to account at cost less, where applicable, any accumulated depreciation or amortisation.

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

In the previous year, the Union obtained an independent valuation of its property at Thomas Street, Sydney. The resultant increase was credited to asset revaluation reserve.

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
Land and Buildings	2.50%
Leasehold Improvement	over lease period
Freehold improvement	10 - 20%
Computer System	20%
Office Equipment	5-40%
Leased Office Equipment	19%
Telephone System	20 - 33.33%
Information Systems Project	20%
CRM Membership System	25%
Website	100%

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.

CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
GOVERNING COUNCIL
NOTE TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

(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.

(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.

(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) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash in banks and term deposits, net of outstanding bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

(j) Trade and other receivables

Trade and other receivables are recognised initially at fair value and generally due for settlement within 30 days.

The collectability of debts is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment of receivables is established when there is objective evidence that the Union will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is recognised in the income statement as an expense.

(k) Trade and other payables

Trade payables and other accounts payable are recognised when the union becomes obliged to make future payments resulting from the purchase of goods and services. Trade accounts payable are normally settled within 30 days.

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
GOVERNING COUNCIL
NOTE TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

(l) Comparative Information

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

(m) Accounting policies and Standards

- Adoption of New and Revised Accounting Standards

During the year, the Union has adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.

The adoption of these Standards did not have any impact on the current period or any prior period and is not likely to affect future periods.

- New Accounting Standards for Application in Future Periods

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods and which the Union has decided not to early adopt. The Committee of Management is of the view that these will not impact the future reporting requirements.

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
GOVERNING COUNCIL
NOTE TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

Note 2 Information to be provided to members of the Registrar

(a) In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009 subsection 272(5) of the RAO Schedule, 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 a reporting unit, or a Registrar, 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).

(b) There were no recovery of wages activity for the financial year ended 30 June 2011.

Note 3 Revenue

	2011	2010
	\$	\$
Revenue from Operating Activities		
- Subscriptions Received (net of refunds and charges)	25,955,452	25,225,309
- Interest Received	584,105	390,571
- Management Fee - CSIRO Staff Association	86,674	85,421
- Rental Trading - CPSU Properties	1,460,745	1,378,049
- Grant - TUEF	64,991	80,000
- Sundries	57,253	64,521
Total revenue	28,209,221	27,223,871

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
GOVERNING COUNCIL
NOTE TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

Note 4 Surplus from Ordinary Activities

	2011	2010
	\$	\$
Expenses		
Fees for payroll deduction for subscriptions	9,210	11,363
Depreciation and amortisation		
- Computer equipment	43,751	81,088
- Buildings	211,107	211,107
- Office Equipment	38,995	53,754
- Leasehold Improvements	121,279	133,129
- Freehold Improvements	199,975	230,562
- Information Systems Project	-	183,188
Total Depreciation and Amortisation	<u>615,107</u>	<u>892,828</u>
Remuneration of Auditor		
- Audit - Current Year	30,500	29,000
- Other Services	3,650	4,000
Employee Benefits		
- Salaries and allowances		
Elected Officials	855,961	832,270
Employees	13,381,585	13,001,876
- Annual Leave		
Elected Officials	(5,054)	9,472
Employees	(51,996)	65,759
- Long Service Leave		
Elected Officials	45,600	38,124
Employees	609,033	446,682
- Superannuation		
Elected Officials	129,305	117,350
Employees	2,042,394	1,889,253
- Other employee benefits	101,635	44,399
Total Employee Benefits	<u>17,108,463</u>	<u>16,445,186</u>
Affiliation Fees	556,381	562,169
Legal and Professional Fees	46,509	23,332

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
GOVERNING COUNCIL
DETAILED INCOME & EXPENDITURE
FOR THE YEAR ENDED 30 JUNE 2011**

	2011	2010
Income		
Member Subscriptions	26,294,705	25,641,292
Cost of Member Subscriptions	<u>(330,042)</u>	<u>(404,619)</u>
Net Member Subscriptions before PRD Commission	25,964,663	25,236,673
Other Income	<u>2,253,769</u>	<u>1,998,561</u>
Income before PRD Commission	28,218,432	27,235,234
PRD Commission	<u>(9,210)</u>	<u>(11,363)</u>
Total Income	28,209,222	27,223,871
 Expenditure		
Organising & Member Services	17,850,248	17,300,236
Democracy, Delegate & Activist Forums	1,935,859	1,582,305
Communications & Publications	992,152	903,310
Wages & Conditions	2,120,126	1,139,332
Policy & Research	-	668,459
Information Technology & Systems	1,439,331	1,590,262
Finance & Administrative Overhead	635,186	617,191
Site & Facilities	<u>2,654,535</u>	<u>2,643,088</u>
Total Expenditure	27,627,437	26,444,183
INCOME FOR THE YEAR	<u>581,785</u>	<u>779,688</u>

The above must be read in conjunction with the Auditor's Disclaimier.

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
GOVERNING COUNCIL
NOTE TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

Note 18 Contingent Liabilities

	2011	2010
(a) Guarantees	\$	\$
Guarantees for security deposits	130,130	129,843
Bank Guarantees	327,957	475,087
	<u>458,087</u>	<u>604,930</u>

Note 19 Events After the Balance Sheet Date

There have been no significant events after balance date which require adjustment to this financial report or further reporting.

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
GOVERNING COUNCIL
NOTE TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

Note 5 Grants & Donations

	2011 \$	2010 \$
Included in others expense from ordinary activities are grants and donations:		
Union Aid Abroad - APHEDA	44,000	44,031
Queensland Premier's Flood Relief Appeal	10,000	-
Kidney Health Australia	618	318
Union Aid Abroad - APHEDA Annual Fundraiser	591	-
ACTU Member Connect Melbourne	436	-
Queensland Council of Unions	300	-
Motor Neurone Disease Victoria	300	-
Trade Union Centre	200	-
APHEDA, Inc.	200	-
Australias for Native Title & Reconciliation	91	-
Queensland Young Labour	50	-
Centre for Policy Development	-	22,500
APHEDA-Harti Appeal	-	20,000
Trades and Labour Council WA	-	2,000
AmIEU	-	500
Austral Media Group Ltd	-	434
AFTINET	-	500
Death in Custody Watch Committee	-	750
Labour Day Celebrations Committee	-	181
Unions Tasmania	-	200
ABC Scholarship	-	546
Australian Peace Committee (SA)	-	91
	<u>56,786</u>	<u>92,051</u>

Note 6 Cash and Cash Equivalents

	2011 \$	2010 \$
Cash on Hand	5,592	5,000
Cash at Bank	5,342,525	4,991,287
Term Deposits	6,498,090	6,141,403
	<u>11,846,206</u>	<u>11,137,690</u>

Note 7 Trade and Other Receivables

	2011 \$	2010 \$
Current		
Trade and other debtors	164,159	200,184
Other related parties	72,842	32,658
	<u>237,002</u>	<u>232,842</u>

Note 8 Other Assets

	2011 \$	2010 \$
Current		
Prepayments	657,083	354,727
	<u>657,083</u>	<u>354,727</u>

CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
GOVERNING COUNCIL
NOTE TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

Note 9 Financial assets

	2011	2010
	\$	\$
Non-current		
Seed Funding to Shared Advantage Limited		
- At cost	225,000	225,000
- Less Provision for Diminution in Value	<u>(225,000)</u>	<u>(225,000)</u>
	<u>-</u>	<u>-</u>

Note 10 Plant and equipment

	2011	2010
	\$	\$
Land and Buildings		
Freehold land and buildings at independent valuation 2010:		
Thomas Street, Sydney	14,704,285	14,704,285
Woods Street, Darwin	<u>390,000</u>	<u>390,000</u>
	15,094,285	15,094,285
Less Accumulated Depreciation	<u>(488,214)</u>	<u>(277,107)</u>
Net Land and Buildings	<u>14,606,071</u>	<u>14,817,178</u>
Leasehold improvements		
At cost		
Hobart	6,935	6,935
Hay Street, Perth	166,352	157,927
Brisbane Ave, Canberra	267,954	267,954
Henley Beach Road, Adelaide	16,722	16,722
Collins St, Melbourne	404,308	400,314
Browning Street, Brisbane	324,254	324,254
Plamer Street, South Townsville	<u>5,395</u>	<u>5,395</u>
	1,191,920	1,179,501
Less Accumulated Depreciation	<u>(733,130)</u>	<u>(611,851)</u>
Net Leasehold Improvements	<u>458,790</u>	<u>567,650</u>
Freehold Improvements		
Thomas Street, Sydney	2,305,980	2,124,910
Woods Street, Darwin	<u>13,725</u>	<u>3,525</u>
	2,319,706	2,128,435
Less Accumulated Depreciation	<u>(1,537,837)</u>	<u>(1,337,862)</u>
Net Freehold Improvements	<u>781,869</u>	<u>790,573</u>
Computer System		
At Cost	3,402,221	3,388,290
Less Accumulated Depreciation	<u>(3,270,692)</u>	<u>(3,226,941)</u>
Net Computer System	<u>131,529</u>	<u>161,349</u>
Office Equipment		
At Cost	2,716,582	2,714,259
Less Accumulated Depreciation	<u>(2,644,563)</u>	<u>(2,605,569)</u>
Net Office Equipment	<u>72,018</u>	<u>108,690</u>

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
GOVERNING COUNCIL
NOTE TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

Telephone System		
At Cost	935,539	935,539
Less Accumulated Depreciation	(935,539)	(935,539)
Net Telephone System	<u>-</u>	<u>-</u>
Information Systems Project		
At Cost	213,406	213,406
Less Accumulated Depreciation	(213,406)	(213,406)
Net Information Systems Project	<u>-</u>	<u>-</u>
CRM/Membership System		
At Cost	1,795,414	1,795,414
Less Accumulated Depreciation	(1,795,414)	(1,795,414)
Net CRM/Membership System	<u>-</u>	<u>-</u>
Website		
At Cost	63,091	63,091
Less Accumulated Depreciation	(63,091)	(63,091)
	<u>-</u>	<u>-</u>
Total plant and equipment	<u>16,050,277</u>	<u>16,445,440</u>

Movements in Carrying Amounts

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

2011	Balance at beginning of year	Additions	Depreciation expense	Revaluation During the year	Carrying amount at the end year
Land and Buildings	14,817,178	-	211,107	-	14,606,071
Leasehold Improvements	567,650	12,419	121,279	-	458,790
Freehold Improvements	790,573	191,271	199,975	-	781,869
Computer Equipment	161,349	13,931	43,751	-	131,529
Office Equipment	108,690	2,323	38,995	-	72,018
TOTAL	<u>16,445,440</u>	<u>219,944</u>	<u>615,107</u>	<u>-</u>	<u>16,050,277</u>

Note 11 Trade and Other Payables

	2011 \$	2010 \$
Current		
Accounts Payable and Accruals	1,866,286	1,976,640
Rental Bond	130,130	130,130
Annual leave		
- holders of office	122,849	127,903
- other employees	1,240,429	1,297,705
	<u>3,359,694</u>	<u>3,532,378</u>

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
GOVERNING COUNCIL
NOTE TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

Note 12 Provisions

	2011	2010
	\$	\$
CURRENT		
Long Service Leave		
- holders of office	228,964	184,658
- other employees	1,533,722	1,547,769
	<u>1,762,686</u>	<u>1,732,427</u>
NON CURRENT		
Long Service Leave		
- holders of office	9,896	12,470
- other employees	506,797	314,714
	<u>516,693</u>	<u>327,184</u>

Provision for Employee Entitlements

A provision has been recognised for employee entitlements relating to long service leave for employees. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits has been included in note 1.

Note 13 Leasing Commitments

	2011	2010
	\$	\$
(a) Operating Lease Commitments		
Payable-minimum lease payments		
- not later than 12 months	1,300,704	1,596,486
- later than 1 year but not more than 5 years	3,336,642	3,630,814
- more than 5 years	874,941	1,473,100
Balance at the end of the year	<u>5,512,287</u>	<u>6,700,400</u>

Note 14 Reserves

	Note	2011	2010
		\$	\$
Capital Profits and Asset Revaluation Reserve (a)	14a	8,788,388	8,788,388
Death and Benevolent Fund		51,164	60,164
Superannuation Trust Fund		16,584	16,584
Levy Reserve		1,489,810	1,489,810
Balance at the end of the year		<u>10,345,946</u>	<u>10,354,946</u>
(a) Capital Profits and Asset Revaluation Reserve			
Balance brought forward		8,788,388	2,441,631
Increment on property value		-	6,346,757
Balance carried forward		<u>8,788,388</u>	<u>8,788,388</u>

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
GOVERNING COUNCIL
NOTE TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

Note 15 Cash Flow Information

	2011	2010
	\$	\$
(a) Reconciliation of Cash		
For the purposes of the statement of cash flows, cash includes:		
Cash on Hand	5,592	5,000
Cash at Bank	5,342,525	4,991,287
Term Deposits	6,498,090	6,141,403
	<u>11,846,206</u>	<u>11,137,690</u>
(b) Reconciliation of Cash Flow from Operations with Operating Surplus		
Operating surplus	581,785	779,688
Non cash flow in operating surplus:		
Depreciation and amortisation	615,107	892,828
(Increase)/Decrease in trade debtors	(4,160)	(3,913)
(Increase)/Decrease in prepayments	(302,356)	(53,599)
(Increase)/Decrease in other assets	-	64,621
Increase/(Decrease) in provisions	157,438	300,806
Increase/(Decrease) in trade creditors and levy fund	(119,354)	457,005
Net cash provided by operating activities	<u>928,460</u>	<u>2,437,436</u>
(c) Credit standing arrangements with Bank:		
Credit Facility	3,770,000	3,770,000
Amount Utilised	1,236,475	1,745,087

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
GOVERNING COUNCIL
NOTE TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

Note 16 Related Party Information

	2011	2010
	\$	\$
(a) Receivable from Related Party		
Shared Advantage Limited	72,842	32,658
	72,842	32,658

The amount receivable is unsecured and interest free.

(b) CSIRO Members

CPSU, the Community and Public Sector Union, Governing Council, received all subscriptions paid by members during 2010/2011 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 Executive Committee, or the branches/sections and the Professional Division:

Name	Period in Office
Lisa Newman	1 July 2010 - 30 June 2011
Louise Persse	1 July 2010 - 30 June 2011
Michael Tull	1 July 2010 - 30 June 2011
Nadine Flood	1 July 2010 - 30 June 2011
Rupert Evans	1 July 2010 - 30 June 2011
Kristin Van Barneveld	1 July 2010 - 30 June 2011
Alistair Waters	1 July 2010 - 30 June 2011

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 Governing Council's exposure to interest rate risk as at 30 June 2011 is limited to cash and term deposits of \$11,846,206.

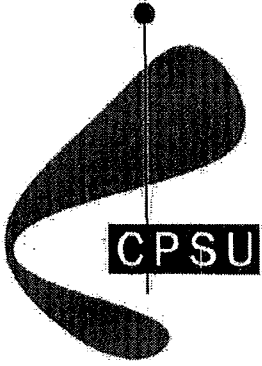
(b) Credit Risk

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.

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.



CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP

AUDIT REPORT

FOR THE YEAR ENDED 30 JUNE 2011

stronger together



**INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF
CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
GOVERNING COUNCIL**

Scope

Report on the Financial Report

We have audited the accompanying financial report comprising the Committee of Management Statement, Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and accompanying notes to the financial statements for the CPSU, The Community and Public Sector Union, PSU Group, Governing Council for the year ended 30 June 2011 as set out on pages 1 to 17.

Executive Committee's responsibility for the financial report

The executive committee of the union is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Fair Work (Registered Organisations) Act 2009. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the executive committee also state, in accordance with Accounting Standard AASB 101: Presentation of Financial Statements, that compliance with the Australian equivalents to International Financial Reporting Standards (IFRS) ensures that the financial report, comprising the financial statements and notes, complies with IFRS.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the executive committee, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Auditor's Opinion

We have inspected and audited the accounting records kept by CPSU, The Community and Public Sector Union, PSU Group, Governing Council in respect for the year ended 30 June 2011 and have received all the information and explanations we required for the purposes of our audit.

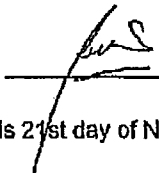
In our opinion:

- a. They 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 the expenditure; and
- b. 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 the RAO Schedule of the Fair Work (Registered Organisations) Act 2009.

Name of Auditor Pran Rathod - Director Audit Services
(Registered Company Auditor)

Hayes Knight
Hayes Knight (NSW) Pty Ltd

Signature



Dated at Sydney, this 21st day of November 2011



Hayes Knight
Accountants & Business Advisers

Hayes Knight (NSW) Pty Ltd
ABN: 25 125 243 692

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AUDITORS DISCLAIMER

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

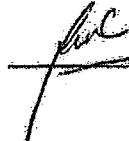
ADDITIONAL INFORMATION INCLUDED FOR THE BENEFIT OF MEMBERS ON THE FINANCIAL ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2011

This additional financial data presented in the Income Statement is in accordance with the books and records of CPSU, The Community and Public Sector Union, PSU Group, Governing Council for the year ended 30 June 2011 which have been subject to the auditing procedures applied in our statutory audit of the union. 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 we nor any member or employee of our practice 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.

Name of Auditor Pran Rathod - Director Audit Services
(Registered Company Auditor)

Hayes Knight
Hayes Knight (NSW) Pty Ltd

Signature



Dated at Sydney, this 21st day of November 2011.