



9 October 2018

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

Dear Mr Kitchin

Re: – CPSU, The Community and Public Sector Union, SPSF Group, South Australian Branch – Financial reporting – for year ending 30 June 2018 (FR2018/160)

I refer to the financial report of the South Australian Branch of the CPSU, The Community and Public Sector Union, SPSF Group, in respect of the year ending 30 June 2018. The documents were lodged with the Registered Organisations Commission ('the ROC') on 31 August 2018.

The financial report has been filed. The financial report was filed based on a primary review. This involved confirming whether the financial reporting timelines required under s.253, s.265, s.266 and s.268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under s.268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and reporting guidelines have been complied with. A primary review does not examine all disclosure requirements.

You are not required to take any further action in respect of the report lodged. However I make the following comments to assist you when preparing the next report. Please note the report for year ending 30 June 2019 may be subject to an advanced compliance review.

Auditor's report - all parts of GPFR

The Auditor's Statement is required to identify the title of each statement comprising the financial report in accordance with paragraph 24c of Australian Auditing Standard ASA 700 *Forming an Opinion and Reporting on a Financial Report*. A general purpose financial report prepared under section 253 of the RO Act also includes the expenditure report required to be prepared under section 255(2A) and as prescribed by Reporting Guideline 22, and, where it is completed in accordance with Reporting Guideline 21, the Officer's Declaration Statement. (See subsection 253(2)(c) of the RO Act.) The auditor's statement omitted reference to the expenditure report and the Officer's Declaration Statement.

Nil Activities disclosure

Item 21 of the Reporting Guidelines states that if any activities identified in items 10-20 have not occurred in the reporting period, a statement to this effect must be included either in the financial statements, the notes or in an Officer's Declaration Statement. I note that the Officer's Declaration Statement includes the following nil activity disclosures for which there was already an equivalent form of disclosure in the body of the notes:

- pay a grant that was \$1,000 or less¹
- pay a grant that exceeded \$1,000¹

- pay a donation that was \$1,000 or less¹
- pay a donation that exceeded \$1,000¹
- pay to a person fees or allowances to attend conferences or meetings as a representative of the reporting unit²
- have payables to employers for making payroll deductions of membership subscriptions³
- have employee provisions³
- have a outstanding trade payable with another reporting unit at balance date⁴
- receive cash flows from another reporting units and/or controlled entity⁵

To avoid duplication, and minimise any potential confusion or error, any nil activity disclosures already disclosed in the notes or within the financial statements should be omitted from an Officer's Declaration Statement. Alternatively, all nil activity disclosures may be made in the Officer's Declaration Statement instead of the notes or financial statements.

Affiliation fees

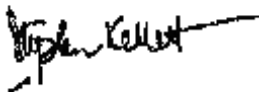
The note relating to expenses under paragraph 14 stated that no fees or periodic subscriptions in respect of affiliation (i.e. to a council or body having an interest in industrial matters) were paid. However, the Statement of Comprehensive Income and Note 8 disclosed affiliation fees expense to the ACTU.

Reporting requirements

New Reporting Guidelines will apply to organisations and branches with financial years commencing on or after 1 July 2017. The new Reporting Guidelines are now available on the ROC website and any further information or updates on the guidelines will be provided through the [subscription service](#).

On the ROC website is a number of factsheets in relation to the financial reporting process and associated timelines. Along with the new Reporting Guidelines, a model set of financial statements can also be found. The ROC recommends reporting units use this model as it will assist in ensuring compliance with the RO Act, the s.253 Reporting Guidelines and the Australian Accounting Standards. Access to this information may be obtained via [this link](#).

Yours faithfully



Stephen Kellett
Financial Reporting
Registered Organisations Commission

¹ See note 9, and the statement in note 2 referring to paragraph 14 that no grants or donations expense was incurred

² See the statement in note 2 referring to paragraph 14

³ See the statement in note 2 referring to paragraph 16

⁴ See the statement in note 2 referring to paragraph 15

⁵ See the statement in note 2 referring to paragraph 18

CPSU (SPSF GROUP) SA BRANCH

CERTIFICATE OF SECRETARY

PERIOD ENDED 30TH JUNE 2018

S268 Fair Work (Registered Organisations) Act 2009

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

- that the documents lodged herewith are copies of the full report for the CPSU (SPSF Group) – SA Branch for the period ended 30 June 2018 referred to in S268 of the Fair Work (Registered Organisations) Act 2009; and
- that the full report was provided to members of the reporting unit on 1 August 2018; and
- that the full report was presented to the Annual General Meeting of members of the reporting unit on 31 August 2018, in accordance with S266 (1) of the Fair Work (Registered Organisations) Act 2009.

Signature of prescribed designated officer:



Name of prescribed designated officer:

.....NEVILLE KITCHIN.....

Title of prescribed designated officer:

... . BRANCH SECRETARY.

Dated:

..... 31/8/18

CPSU (SPSF GROUP) SA BRANCH

OPERATING REPORT

for period ended 30 June 2018

S254 Fair Work (Registered Organisations) Act 2009

I, Neville Kitchin being the Branch Secretary of the CPSU/ (SPSF Group) – SA Branch, on behalf of the Council of the reporting unit for the financial year ended 30 June 2018, state;

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

(b) Financial affairs. No significant changes.

(c) Resignation procedure.

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

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

(d) Superannuation Trustees.

Neville Kitchin - UniSuper.

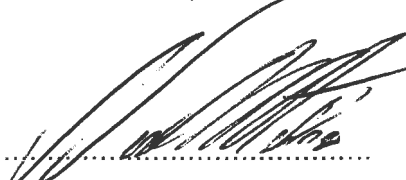
The position is held because the person was nominated by the reporting unit or peak council.

(e) Number of members as at 30 June 2018 is 11,234

(f) Number of employees as at 30 June 2018 is nil

(g) Persons who have been a member of the Committee of Management of the reporting unit at any time during the reporting period, and the period of which they held the positions (Attached)

Signature of designated officer:



.....

Name and title of designated officer :

NEVILLE KITCHIN
BRANCH SECRETARY

Dated:

1/8/18
.....

CPSU (SPSF GROUP) SA BRANCH

For the year ended 30 June 2018

COMMITTEE OF MANAGEMENT

Councillors

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

Angelakis	Anna	
Barnes	Michael	
Beck	Andrew	
Bell-Corkin	Patricia	
Bellew	Mary-Jo	
Brown	Natasha	
Burford	Lesley	
Dawson	Raylene	
Grantham	Kym	
Griffiths	Michael	
Hagivassilis	Christian	
Henderson	Sharon	
Hewish	Peter	
Kelly	Acacia	19/03/2018-30/06/2018
Keage	Robert	01/07/2017-18/07/2017
Kitchin	Nevillie	
Martin	Jo-anne	01/07/2017-04/07/2017
Moragiannis	Peter	
Mensforth	Noel	
Peak	Gayle	17/07/2017-30/06/2018
Prakash	Sharin	01/07/2017-06/02/2018
Rozaklis	Lillia	
Snowball	Carl	
Stitt	Robyn	
Tonkin	Margaret	
Wasyluk	Daniel	18/09/2017-30/06/2018
Watson	Julie	

THE COMMUNITY AND PUBLIC SECTOR UNION / SPSF GROUP

SOUTH AUSTRALIAN BRANCH

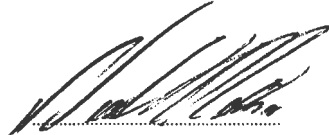
COMMITTEE OF MANAGEMENT STATEMENT

I, NEVILLE KITCHIN being the officer responsible for THE COMMUNITY AND PUBLIC SECTOR UNION / SPSF GROUP SOUTH AUSTRALIAN BRANCH, certify that as at 30 June 2018 the number of members of the Branch was 11,234, and do state on behalf of the Council, and in accordance with a resolution passed by the Council on the 1st August 2018 that in relation to the General Purpose Financial Report (GPFR) of the reporting unit for the year ended 30 June 2018 that:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009. (the RO Act);
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the general purpose financial report relates and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the (RO Act) and
 - (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a manner consistent with each of the other reporting units of the organisation; and
 - (v) where information has been sought in any request by a member of the reporting unit or Commissioner duly made under section 272 of the RO Act, that information has been provided to the member or Commissioner; and
 - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.

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

Signature of designated officer:



Name and Title of designated officer: NEVILLE KITCHIN
BRANCH SECRETARY

Dated:

1/3/18

THE COMMUNITY AND PUBLIC SECTOR UNION / SPSF GROUP

SOUTH AUSTRALIAN BRANCH

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2018

	NOTES	2018 \$	2017 \$
Revenue-membership contributions received from; Public Service Association of SA Inc		243,000	237,000
Total Revenue		<u>243,000</u>	<u>237,000</u>
Audit fees		5,707	5,330
Affiliation Fees ACTU	8	67,850	69,039
Bank charges		145	69
Consulting		-	-
Grants or Donations	9	-	-
National Campaign Costs	10	9,327	-
EDP costs		5,579	5,584
Capitation fee paid to CPSU/SPSF Federal Office	11	152,917	155,691
Total expenditure		<u>241,525</u>	<u>235,713</u>
Financial income - interest received		154	134
Net Finance Income		154	134
Profit for the period		<u>1,629</u>	<u>1,421</u>
Items that will not be reclassified to profit or loss:		-	-
Total comprehensive income for the period		<u>1,629</u>	<u>1,421</u>

The accompanying notes form part of these financial statements.

THE COMMUNITY AND PUBLIC SECTOR UNION / SPSF GROUP

SOUTH AUSTRALIAN BRANCH

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2018

	NOTES	2018 \$	2017 \$
Current Assets			
Cash and cash equivalents	5	142,470	142,142
Trade and other Receivables	6	-	-
Total Assets		<u>142,470</u>	<u>142,142</u>
Current Liabilities			
Trade and other payables		<u>4,809</u>	<u>6,110</u>
Total Liabilities		<u>4,809</u>	<u>6,110</u>
Net Assets		<u>137,661</u>	<u>136,032</u>
Equity			
Retained earnings	7	<u>137,661</u>	<u>136,032</u>
Total equity attributable to equity holders		<u>137,661</u>	<u>136,032</u>

The accompanying notes form part of these financial statements.

THE COMMUNITY AND PUBLIC SECTOR UNION / SPSF GROUP

SOUTH AUSTRALIAN BRANCH

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2018

	Retained earnings	Total Equity
Balance as at 1 July 2016	<u>134,611</u>	<u>134,611</u>
Profit for the period	<u>1,421</u>	<u>1,421</u>
Balance as at 30 June 2017	<u>136,032</u>	<u>136,032</u>
Balance as at 1 July 2017	<u>136,032</u>	<u>136,032</u>
Profit for the period	<u>1,629</u>	<u>1,629</u>
Balance as at 30 June 2018	<u>137,661</u>	<u>137,661</u>

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

The accompanying notes form part of these financial statements.

THE COMMUNITY AND PUBLIC SECTOR UNION / SPSF GROUP

SOUTH AUSTRALIAN BRANCH

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2018

	NOTES	2018 \$	2017 \$
Cash flows from operating activities			
Member receipts from associated body being the Public Service Association of SA Inc		243,000	237,072
Interest received		154	134
Payments to associated body CPSU/SPSF Federal Office and ACTU		(235,818)	(230,314)
Payments to suppliers		<u>(7,008)</u>	<u>(4,123)</u>
Net cash from operating activities	4	<u>328</u>	<u>2,769</u>
Increase in cash and cash equivalents		328	2,769
Cash and cash equivalents at beginning of financial year		<u>142,142</u>	<u>139,373</u>
Cash and cash equivalents at end of financial year	5	<u>142,470</u>	<u>142,142</u>

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

THE COMMUNITY AND PUBLIC SECTOR UNION / SPSF GROUP
SOUTH AUSTRALIAN BRANCH
NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2018

1. Statement of significant accounting policies

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

The financial report was authorised for issue by the Council during the Councillors' meeting on 1 August 2018.

(a) Statement of Compliance

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

(b) Basis of Preparation

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

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

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

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

(c) Taxation

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

(d) Trade and Other Receivables

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

(e) Trade and Other Payables

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

(f) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

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

(g) Cash and cash equivalents

Cash and cash equivalents comprises cash at call.

(h) Members' Subscriptions

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

(i) New Standards and Interpretations Not Yet Adopted

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

AASB 9 Financial Instruments

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

Given the nature of the Branch's key financial assets and liabilities, there is no significant impact on its financial report resulting from the application of AASB 9.

AASB 15 Revenue from Contracts with Customers

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

Given the nature of the Branch's revenue stream, there is no significant impact on its financial report resulting from the application of AASB 15.

THE COMMUNITY AND PUBLIC SECTOR UNION / SPSF GROUP

SOUTH AUSTRALIAN BRANCH

NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2018

2. General requirements for presentation and disclosures in GPFR

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

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

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

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

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

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

Statement of Profit or Loss and Other Comprehensive Income
Revenue

Paragraph 13 The following items were received during the year:

- a) Revenue is receipted from Public Service Association of SA Inc and not directly from members.
- c) A voluntary contribution was raised from the members for the furtherance of a particular purpose. The contribution was made to The Community & Public Sector Union State Public Services Federation Group for "Change the Rules" campaign.

Paragraph 13 The following items were not received during the year:

- b) a capitation fee from another reporting unit of the organisation or any financial support from another reporting unit.
- d) donations and grants.
- e) any revenue derived from undertaking recovery of wages.

THE COMMUNITY AND PUBLIC SECTOR UNION / SPSF GROUP
SOUTH AUSTRALIAN BRANCH
NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2018

Statement of Profit or Loss and Other Comprehensive Income
Expense

Paragraph 14 The following items were not incurred during the year:

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

Statement of Financial position
Assets

Paragraph 15

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

THE COMMUNITY AND PUBLIC SECTOR UNION / SPSF GROUP
SOUTH AUSTRALIAN BRANCH
NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2018

Statement of Financial position
Liabilities

Paragraph 16 No amounts are payable in respect of:

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

Statement of changes in equity

Paragraph 17 No amounts are included in equity in respect of:

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

Statement of Cash Flows

Paragraph 18 No amounts included in cash inflows or cash outflows are from another reporting unit and/or controlled entity of the organisation.

Additional reporting requirements

- Paragraph 19
- a) the financial affairs of the branch are administered by the Public Service Association of SA Inc which includes receipting of income from the PSA of SA Inc and payments of relevant expenses paid in the form of audit fees, affiliation fees to the ACTU, computer costs, capitation fees paid to CPSU Federal Office, BAS payments and bank charges.
 - b) terms and conditions are such that the PSA of SA Inc will conduct, at no cost or obligation to the Branch, receipting and payment processes in the normal course of business and within the Branch's own accounts and set of accounts.

THE COMMUNITY AND PUBLIC SECTOR UNION / SPSF GROUP
SOUTH AUSTRALIAN BRANCH
NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2018

3. Information to be provided to members or Commissioner.

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

- (1) A member of a reporting unit, or the Commissioner, 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).

	2018	2017
	NOTES	\$
	\$	\$
(3b) Levie – National Campaign Change Rules Contribution	9,327	-
4. Reconciliation of net cash provided by operating activities with operating profit		
Profit for the year	1,629	1,421
Increase in trade and other receivables	-	72
(Decrease)/ Increase in trade and other payables	<u>(1,301)</u>	<u>1,276</u>
Net cash from operating activities	328	2,769
5. Cash and cash equivalents		
Cash at bank	142,470	142,142
6. Trade and Other Receivables		
	<u>-</u>	<u>-</u>
7. Retained earnings		
Balance at 1 July	136,032	134,611
Profit for the period	1,629	1,421
Balance at 30 June	<u>137,661</u>	<u>136,032</u>
8 Affiliation Fees		
ACTU	67,850	69,039
Total Affiliation fees	<u>67,850</u>	<u>69,039</u>
9. Grants or Donations		
Grants		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000.	-	-
Donations		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000.	-	-
Total Grants and Donations	<u>-</u>	<u>-</u>
10 National Campaign Costs		
	9,327	-
	<u>9,327</u>	<u>-</u>
11 Capitation Fees		
CPSU/SPSF Federal Office	152,917	155,691
Total Capitation Fees	<u>152,917</u>	<u>155,691</u>

THE COMMUNITY AND PUBLIC SECTOR UNION / SPSF GROUP
SOUTH AUSTRALIAN BRANCH
NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2018

12. Financial risk management
Overview

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

- credit risk
- liquidity risk
- market risk

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

Credit Risk

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

Trade receivables

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

Investments

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

Liquidity Risk

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

Market Risk

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

Interest Rate Risk

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

Capital Management

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

THE COMMUNITY AND PUBLIC SECTOR UNION / SPSF GROUP
 SOUTH AUSTRALIAN BRANCH
 NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS
 FOR THE YEAR ENDED 30 JUNE 2018

13 Financial instruments

Financial Instruments Credit Risk

The carrying amount of the Branch's financial assets represents the maximum credit exposure.

The Branch's maximum exposure to credit risk at the reporting date was:

	Note	Carrying amount 2018 \$	2017 \$
Cash and cash equivalents	5	142,470	142,142

The Branch's maximum exposure to credit risk at the reporting date was \$142,470 (2017: \$142,142)

The Branch's maximum exposure to credit risk for trade receivables at the reporting by geographic region was nil (2017: \$nil).

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

The Branch's receivables are nil (2017: nil).

No impairment loss was recognised in current year (2017: nil).

THE COMMUNITY AND PUBLIC SECTOR UNION / SPSF GROUP

SOUTH AUSTRALIAN BRANCH

NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2018

Liquidity Risk

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

	Note	Carrying amount \$	6 mths or less \$
30 June 2018			
Trade and other payables	14	4,809	4,809
		<u>4,809</u>	<u>4,809</u>

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

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

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

	Note	Carrying amount 2018 \$	2017 \$
Interest Bearing Instruments			
Financial assets	5	142,470	142,142
		<u>142,470</u>	<u>142,142</u>

Cash flow sensitivity analysis for interest bearing instruments

A change of 100 basis points (i.e. 1%) in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant. The analysis is performed on the same basis for 2018

	Profit or Loss		Equity	
	100bp increase \$	100bp decrease \$	100bp increase \$	100bp decrease \$
30 June 2018				
Interest Bearing Instruments	(51)	51	(51)	51
Cash flow sensitivity	<u>(51)</u>	<u>51</u>	<u>(51)</u>	<u>51</u>
30 June 2017				
Interest Bearing Instruments	(45)	45	(45)	45
Cash flow sensitivity	<u>(45)</u>	<u>45</u>	<u>(45)</u>	<u>45</u>

Fair Values

Fair values versus carrying amounts

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

	Notes	30 Jun 2018		30 Jun 2017	
		Carrying amount \$	Fair value \$	Carrying amount \$	Fair value \$
Cash & cash equivalents	5	142,470	142,470	142,142	142,142
Debtors	6	-	-	-	-
Trade and other payables		(4,809)	(4,809)	(6,110)	(6,110)
		<u>137,661</u>	<u>137,661</u>	<u>136,032</u>	<u>136,032</u>

THE COMMUNITY AND PUBLIC SECTOR UNION / SPSF GROUP
SOUTH AUSTRALIAN BRANCH
NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2018

14. Related Party Disclosures

(a) Councillors

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

Angelakis	Anna	
Barnes	Michael	
Beck	Andrew	
Bell-Corkin	Patricia	
Bellew	Mary-Jo	
Brown	Natasha	
Burford	Lesley	
Dawson	Raylene	
Grantham	Kym	
Griffiths	Michael	
Hagivassilis	Christian	
Henderson	Sharon	
Hewish	Peter	
Kelly	Acacia	19/03/2018-30/06/2018
Keage	Robert	01/07/2017-18/7/2017
Kitchin	Neville	
Martin	Jo-anne	01/07/2017-4/7/2017
Moragiannis	Peter	
Mensforth	Noel	
Peak	Gayle	17/07/2017-30/06/2018
Prakash	Sharin	01/07/2017-6/2/2018
Rozaklis	Lillia	
Snowball	Carl	
Stitt	Robyn	
Tonkin	Margaret	
Wasyluk	Daniel	18/09/2017-30/06/2018
Watson	Julie	

(b) Councillors' remuneration

No amounts were paid to councillors or Key Management Personnel during the financial year. All payments are paid through the PSA of SA inc.

(c) Related Party Disclosure

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

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

In view of the working relationship between the Public Service Association of SA Inc and the Branch, sustentation fees payable by the PSA of SA Inc to the Branch, are calculated on the basis of the actual costs of the Branch. There were no outstanding balances between the PSA of SA Inc and the Branch as at 30 June 2018.

15. Subsequent events

There have been no events subsequent to balance date.

CPSU (SPSF GROUP) SA BRANCH

For the year ended 30 June 2018

CATEGORIES OF EXPENDITURE
Sub-Section 255 (2a) of the RO Act.

2018-Expenditure as required under section 255 (2a) of RO Act

	\$ 2018	\$ 2017
Categories of Expenditure		
Remuneration and other employment-related costs and expenses – employees	-	-
Advertising	-	-
Operating Costs	20,758	10,983
Donations to Political Parties	-	-
Legal Costs	-	-
Total	20,758	10,983

Note: Operating Costs include National Campaign Costs \$9,327, Audit fees \$5,707, EDP costs \$5,579 and Bank Charges \$145.(2018) Audit fees \$5,330, EDP costs \$5,584 and Bank Charges \$69. (2017) The amounts are referenced to "Statement of Profit or Loss and Other Comprehensive Income"

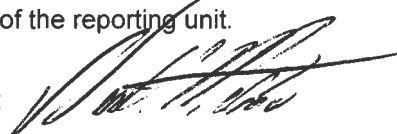
OFFICER DECLARATION STATEMENT

I, NEVILLE KITCHIN been the Branch Secretary of COMMUNITY & PUBLIC SECTOR UNION STATE PUBLIC SERVICES FEDERATION GROUP S.A. BRANCH, declare that the following activities did not occur during the reporting period ending 30 June 2018.

The reporting unit did not:

- . agree to provide financial support to another reporting unit to ensure they continue as going concern.
- . receive revenue by compulsory levies.
- . pay a grant that was \$1,000 or less.
- . pay a grant that exceeded \$1,000.
- . pay a donation that was \$1,000 or less.
- . pay a donation that exceeded \$1,000.
- . pay to a person fees or allowances to attend conferences or meetings as a representative of the reporting unit.
- . have payables to employers for making payroll deductions of membership subscriptions.
- . have employee provisions.
- . have a outstanding trade payable with another reporting unit at balance date
- . receive cash flows from another reporting units and/or controlled entity.
- . make a payment to a former related party of the reporting unit.

Signature of prescribed designated officer:



Name of prescribed designated officer:

NEVILLE KITCHIN

Title of prescribed designated officer:

BRANCH SECRETARY

Dated : 1.8.18



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

Conclusion

In our opinion, in all material respects, the membership records of the State Public Service Federation of South Australia, being 11,234, have been prepared by the Councillors of State Public Service Federation of South Australia in accordance with Section 3 of the Rules of the CPSU, the Community and Public Sector Union Chapter C – SPSF Group Rules as at 30 June 2018.

Information subject to assurance

Membership records of the State Public Service Federation of South Australia (*“the Federation”*) which state that the number of financial members as at 30 June 2018 is 11,234.

Criteria used as the basis of reporting

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

Basis for our conclusion

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

In accordance with the ASAE 3000 we have:

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

How we define reasonable assurance and material misstatement

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

Misstatements, including omissions, are considered material if, individually or in the aggregate, they could reasonably be expected to influence relevant decisions of the intended users taken on the basis of the membership records of the Federation as at 30 June 2018.

Use of this Assurance Report

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

Councillors' responsibility

The Councillors of the Federation are responsible for:

- determining that the criteria is appropriate to meet their needs;
- preparing and presenting the membership records of the Federation as at 30 June 2018 in accordance with the criteria; and
- establishing internal controls that enable the preparation and presentation of the membership records of the Federation as at 30 June 2018 that is free from material misstatement, whether due to fraud or error.

Our responsibility

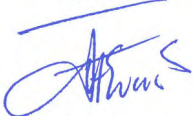
Our responsibility is to perform a reasonable assurance engagement in relation to the membership records of the Federation as at 30 June 2018, and to issue an assurance report that includes our conclusion.

Our independence and quality control

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



KPMG



John Evans

Partner

Adelaide

1 August 2018



Independent Auditor's Report

To the Members of Community and Public Sector Union/SPSF Group South Australian Branch

Opinion

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

In our opinion, the accompanying Financial Report presents fairly, in all material respects, the financial position of the Branch as at 30 June 2018, and of its financial performance and its cash flows for the year then ended, in accordance with Australian Accounting Standards, Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 and Registered Organisations reporting guidelines.

The Financial Report comprises:

- Statement of financial position as at 30 June 2018;
- Statement of profit or loss and other comprehensive income, Statement of changes in equity, and Statement of cash flows for the year then ended;
- Notes including a summary of significant accounting policies; and
- Statement of Commitment by Management.

Basis for opinion

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

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

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

Restriction on use and distribution

The Financial Report has been prepared to assist the Community and Public Sector Union/SPSF Group South Australian Branch in meeting the requirements of *Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 and Registered Organisations reporting guidelines*.

As a result, the Financial Report and this Auditor's Report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.



Our report is intended solely for the Community and Public Sector Union/SPSF Group South Australian Branch and should not be used by or distributed to parties other than the Members of Community and Public Sector Union/SPSF Group South Australian Branch. We disclaim any assumption of responsibility for any reliance on this report, or on the Financial Report to which it relates, to any person other than the Members of Community and Public Sector Union/SPSF Group South Australian Branch or for any other purpose than that for which it was prepared.

Other Information

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

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

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

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

Responsibilities of the Councillors for the Financial Report

The Councillors are responsible for:

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

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinion.



Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our Auditor's Report.

Report on Other Legal and Regulatory Requirements

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

KPMG

John Evans

Partner

Registered Company Auditor: Registration Number 407352

*Member of the Institute of Chartered Accountants Australian
New Zealand: Registration Number 28839*

*Registered Auditor under section 255A of the Fair Work
(Registered Organisations) Act 2009: Registration Number
AA2018/22*

Adelaide

1 August 2018