

4 April 2014

Ms Karen Batt
Secretary
CPSU, the Community and Public Sector Union - SPSF Group
by email: fedsec@spsf.asn.au



CC: Gosia Mostowska, Finance Manager, by email gmostowska@cpsuvic.org
CC: BGL Partners, auditor, by email bgl@bglpartners.com.au

Dear Ms Batt,

CPSU, the Community and Public Sector Union-SPSF Group Financial Report for the year ended 30 June 2013 - [FR2013/142]

I acknowledge receipt of the financial report of the CPSU, the Community and Public Sector Union-SPSF Group. The documents were lodged with the Fair Work Commission on 23 October 2013.

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

The financial report was filed based on a primary review. This involved confirming that 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.

Please note that the financial report for the year ending 30 June 2014 may be subject to an advanced compliance review.

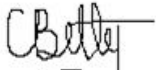
I make the following comment to assist you when you next prepare a financial report. You are not required to take any further action in respect of the report lodged. The Fair Work Commission will confirm these concerns have been addressed prior to filing next year's report.

Application of Tier 1 reporting requirements

Paragraph 8 of the Reporting Guidelines states *'it is a requirement that all reporting units apply the Tier 1 reporting requirements as per the Australian Accounting Standard AASB 1053 Application for Tiers of Australian Accounting Standards'*. The notes to the financial statements state that 'A statement of compliance with AIFRS cannot be made due to the CPSU applying the not-for-profit sector requirements contained in AIFRS.' A conversation with the reporting unit indicated that Tier 2 reporting had been undertaken by the reporting unit. In the future please ensure that the reporting unit adheres to paragraph 8 of the Reporting Guidelines.

If you have any queries regarding this letter, please contact me on (03) 8661 7974 or via email at catherine.bebbington@fwc.gov.au.

Yours sincerely



CATHERINE BEBBINGTON
Regulatory Compliance Branch

FAIR WORK COMMISSION

Tel: 03 8661 7974

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COMMUNITY & PUBLIC SECTOR UNION
STATE PUBLIC SERVICES FEDERATION GROUP

Federal Office
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1st Floor, 160 Clarence Street, Sydney NSW
2000
AUSTRALIA
Tel: (02) 9299 5655
Fax: (02) 9299 7181
ABN 31 572 641 712

23rd October 2013

Attn: Andrew Schultz
Tribunal Services and Organisations

Fair Work Commission

Level 5
11 Exhibition Street
MELBOURNE VIC 3000

By Email: andrew.schultz@fwa.gov.au

Dear Andrew

RE: CPSU/SPSF GROUP – 2012 / 2013 Financial Report

Please find attached the Financial Report for the year ended 30 June 2013 for the CPSU/SPSF GROUP as required under section 268 of the Fair Work (Registered Organisations) Act 2009.

If you require any further information please contact Gosia Mostowska on 03 9639 1822.

Yours faithfully

A handwritten signature in blue ink that reads "Karen Batt".

Karen Batt

Federal Secretary



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STATE PUBLIC SERVICES FEDERATION GROUP

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Section 268 of the Fair Work (Registered Organisations) Act 2009

Certificate by Prescribed Designated Officer

Certificate for the period ended 30 June 2013

I, Karen Batt, being the Federal Secretary of the Community and Public Sector Union, SPSF Group certify:

- that the documents lodged herewith are copies of the full report and the concise report for the CPSU SPSF GROUP for the period ended 30th June 2013 referred to in section 268 of the Fair Work (Registered Organisations) Act 2009; and
- that members were advised on 22nd October 2013 that the audited concise financial report and operating report had been published on the reporting unit's web site, www.cpsu-spsf.asn.au; and
- that a full report was presented to a Committee of Management meeting of the reporting unit on 17th October 2013 in accordance with section 266 of the Fair Work (Registered Organisations) Act 2009.

Signature:

A handwritten signature in blue ink that reads 'Karen Batt'.

Name:

KAREN BATT

Title:

Federal Secretary

Dated:

23rd October 2013



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STATE PUBLIC SERVICES FEDERATION GROUP

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1st Floor, 160 Clarence Street, Sydney NSW
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23rd October 2013

Attn: Andrew Schultz
Tribunal Services and Organisations
Fair Work Commission
Level 5
11 Exhibition Street
MELBOURNE VIC 3000

By Email: andrew.schultz@fwa.gov.au

Dear Andrew

RE: AMENDMENT TO THE OPERATING REPORT FOR - CPSU/SPSF GROUP
2012 / 2013 Financial Report

Members of Federal Executive - Note

WA officers – J. Gaines during this period resigned and Lea McKay appointed.

Signature:

A handwritten signature in blue ink that reads 'Karen Batt'.

Name:

KAREN BATT

Title:

Federal Secretary

Dated:

23rd October 2013

9.2 FINANCE REPORTS

9.2(a) AUDITED ANNUAL FINANCIAL STATEMENTS AND CONCISE FINANCIAL REPORT FOR THE YEAR ENDED 30TH JUNE 2013

Moved: K Batt

Seconded: T Lynch

“That the Audited Financial Statements and Concise Finance Report for the year ended 30th June 2013 be noted”.

CARRIED

**COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL
FUND
ABN 31 572 641 712**

**ANNUAL CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2013**



COMMUNITY & PUBLIC SECTOR UNION
STATE PUBLIC SERVICES FEDERATION GROUP

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Level 2, 6 Palmer Parade
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AUSTRALIA

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COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND
ABN 31 572 641 712

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Relationship of the concise financial report to the full financial reports

The concise financial report is an extract from the full financial report for the year ended 30 June 2013. The financial statements and specific disclosures included in the concise financial report have been derived from the full financial report.

The concise financial report cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of Community and Public Sector Union SPSF Group - Federal Fund as the full financial report. Further financial information can be obtained from the full financial report.

The full financial report and auditor's report will be sent to members on request, free of charge. Please contact Community and Public Sector Union SPSF Group Federal Fund's office and a copy will be forwarded to you. Alternatively, you can access both the full financial report and the concise report via the internet at our Members' Centre on our website.

The committee of management has resolved on 17 September 2013 that this concise report be provided in accordance with s265 (2) of the *Fair Work (Registered Organisations) Act 2009*.

COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND
ABN 31 572 641 712

DISCUSSION AND ANALYSIS OF THE FINANCIAL STATEMENTS

Information on Community and Public Sector Union SPSF Group – Federal Fund’s concise financial report

The concise financial report is an extract of the full financial report for the year ended 30 June 2013. The financial statements and specific disclosures included in the concise financial report have been derived from the full financial report.

This discussion and analysis is provided to assist members in understanding the concise financial report. The discussion and analysis is based on Community and Public Sector Union SPSF Group – Federal Fund financial statements and the information contained in the concise financial report has been derived from the full 2013 financial report of Community and Public Sector Union SPSF Group – Federal Fund.

Statement of comprehensive income

The deficit attributable to members for the year was \$166,874 compared with a \$602,737 deficit last year. This was a direct result of significant cost cutting during the year.

Capitation fees income decreased by \$81,679 from \$ 1,790,064 in 2012 to \$ 1,708,385 in 2013. This however includes the estimated capitation fee due from the Queensland Branch of \$ 420,000 which may not be fully collectible. Overall revenue decreased by \$88,905 in 2013 due to a reduction in interest income and capitation fee.

Total expenses decreased by \$ 524,768 from \$2,486,906 in 2012 to \$1,962,138 in 2013. This is mainly due to the reduction of employee related expenses as the number of employees reduced during the year.

Balance sheet

Total assets decreased by 29% or \$612,241 from \$2,103,018 in 2012 to \$1,490,777 this year mainly due to a decrease in cash on hand. This was a direct result of the redundancy payouts to employees.

Total liabilities decreased by \$445,367 or 60% from \$732,402 in 2012 to \$287,035 in 2013. The decrease was due to a decrease in both employee provisions and trade creditors.

The net result was an overall decrease in the Federal Fund of \$166,874.

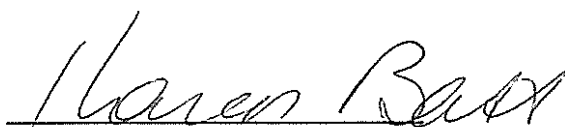
Statement of cash flows

Net cash flows from operations decreased by \$ 193,418 from (\$289,256) in 2012 to (\$482,674) in 2013. The result was due to decrease of receipt of interest and capitation fee receipts.

Overall cash balances decreased by \$484,984 from last year due to redundancy payouts to employees, with cash on hand and at banks at 30 June 2013 being \$ 45,065 (2012: \$530,049).

Signed in accordance with a resolution of the Federal Executive:

Signature of designated officer:



Name of designated officer:

Karen Batt

Title of designated officer:

Federal Secretary

Date:

17th September 2013

COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND
ABN 31 572 641 712

OPERATING REPORT

The Federal Executive presents their report on the Community and Public Sector Union SPSF Group - Federal Fund (The CPSU) for the financial year ended 30 June 2013.

Members of Federal Executive

The name of each person who has been a member of the Federal Executive at any time during or since the end of the financial year is as follows:

<i>Name</i>	<i>Position</i>
D. Carey	Federal Secretary (resigned 28 November 2012)
K. Batt	Federal Secretary (elected 28 November 2012)
J. Cahill	Federal President
	Federal Vice President - NSW
A. Scott	Senior Federal Vice President – QLD (resigned 30 Aug 2012)
K. Batt	Federal Vice President – VIC
J. McMahon	Federal Vice President – SA
T. Walkington	Federal Vice President - WA
T. Lynch	Federal Vice President - TAS
V. Doogan	QLD Branch Delegate (resigned 29 Aug 2012)
J. Gaines	WA Branch Delegate
P. Lillywhite	Victorian Branch Delegate
L. Oxlad	SA Branch Delegate
S. Walsh	NSW Branch Delegate
G Ransley	Tasmanian Branch Delegate

Members have been in office since the start of the financial year to the date of this report unless otherwise stated.

COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND
ABN 31 572 641 712

OPERATING REPORT (Continued)

Review of principal activities, the results of those activities and any significant changes in the nature of those activities during the year

The CPSU is a professional and industrial organisation, registered under the *Fair Work (Registered Organisations Act) 2009*, representing public sector workers across Australia. The CPSU is a democratic, federated structure, with a Federal Office, based in Sydney, and branches in every state of Australia.

The primary object of the CPSU is to represent the professional and industrial interests of its members and to promote and defend Australia's high quality public service system. We do this by enacting strategies and campaigns which enhance the working conditions, living standards and professional rights of members.

The CPSU is a democratic, membership-focused organisation, always aiming to act in the best interests of members and the public service system. The union at all levels operates on principles of effective transparent governance and strong leadership, providing an effective voice for our members in Australia and internationally.

Capitation fees from the Queensland Branch totalling some \$840,000 still remain unpaid for the 2012 and 2013 years. Their recovery is subject to legal proceedings. Apart from this, no significant changes in the state of financial affairs of the CPSU occurred during the financial year.

During the financial period the CPSU has successfully campaigned for enhanced and support the professional status of CPSU members in public sector through professional development and training and conferences, representation of members on professional bodies and to employers; made submissions and appeared before Commonwealth of Australia Parliamentary Committee and various federal Inquiries; protected and enhanced the industrial rights of CPSU members with CPSU Branches through industrial representation and negotiation of collective agreements.

During the reporting period the union was actively involved in representing its members across Australia in a range of industrial disputes, enterprise bargaining campaigns as well as broad community based activities aimed at highlighting the role our members play in the quality of life for the citizens of each State.

Highlights of the year have included enterprise bargaining for the newly created AHPRA in South Australia, Western Australia and New South Wales. We were also involved in the enterprise bargaining for the National Heavy Vehicle Registration agency in Brisbane. The work in the various states on enterprise bargaining saw over 28 .EBA's being negotiated across the country but with the vast majority (20) being in Victoria given the referral of powers by the State Government of Victoria to the Commonwealth for State public sector and service industrial regulation. Of note in relation to this 2 agreements were arbitrated outcomes for a Parks Victoria Workplace Determination 2013 and the Victorian Public Service Workplace Determination 2012.

Higher education activity was also a focus of the year with the federal office assisting the NSW Branch with matters at both Macquarie University and the University of NSW.

Extensive work was done to consolidate the unions coverage for entities that were privatised, corporatized or became federal system employers as a result of the use by the Commonwealth of the Corporations power of the Constitution to under pin the Fair Work Act or by forma referral by a State Government. This includes but is not limited to work to amend our rules to facilitate the amalgamation of the Western Australian Prison Officers' Union (WAPOU). We also provided assistance to the Branches on matters relating to the NSW electricity sector, our coverage in Queensland generally and to negotiate demarcation settlements with a number of unions in relation to matters such as helicopter air crews.

During the reporting period an election was called for the position of Federal Secretary. In late November Karen Batt, the Victorian Branch Secretary was declared as Federal Secretary for the CPSU/SPSF Group.

The administration and the finances of the union were over hauled and new operating systems were introduced as a means of streamlining the federal union's operations. Development of Governance codes along with a complete review of the financial position of the union has placed us in a stronger position going forward into the 2013-2014 reporting period.

**COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND
ABN 31 572 641 712**

OPERATING REPORT (Continued)

Review of principal activities, the results of those activities and any significant changes in the nature of those activities during the year (Continued)

The union continues its participation in a range of ACTU activities and committees and nominated new representatives to UniSuper and Government Skills Australia. This includes actively working with the ASU to have the then Federal Government commitment to rectifying the discrimination that exists as a result of the failure of Australia to ratify the ILO Convention and regulations that underpin the rights of public sector workers to bargain with the same protections as their private sector counter parts.

The federal union is still working through its Queensland difficulties and hopes this may be addressed in the next financial year. The important note here was that the restructuring of the unions finances to address the shortfall brought about by the Queensland dispute has been achieved without impacting on the union's reserves.

Right of members to resign

Rule 8 of Chapter C of Federal Rule sets out the terms under which a member of the Branch may resign. A member may resign from membership of the Union by notice in writing, addressed to the Branch Secretary, if the member cease to be eligible to become a member of the Union or the member give notice not less than two weeks before the resignation is to take effect.

Union Details

Number of employees

The number of equivalent full time employees at 30 June 2013 was 2 (2012: 8.5)

Number of members

The number of members across 7 branches at 30 June 2013 was 85,297 (2012: 91,601).

**COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND
ABN 31 572 641 712**

OPERATING REPORT (Continued)

Directorships of Superannuation Fund

To the best of our knowledge and belief, the following officer and employee of the CPSU is superannuation fund trustee(s) or a director of a company that is a superannuation fund trustee:

Name	Company/Board	Principal Activities	Reporting unit position	Status
New South Wales				
Suzanne Walsh	State Super Financial Services Australia Limited	Superannuation provider	No	Fed officer
Suzanne Walsh	State Super Trustee Corporation	Superannuation provider	No	Fed officer
South Australia				
Jan McMahon	South Australian Superannuation Board	Superannuation	No	Fed officer
Jan McMahon	Southern Select superannuation Corporation Board	Superannuation	No	Fed officer

Directorships of company or a member of a board

To the best of our knowledge and belief, the following officers and employees of the CPSU are directors of a company or a member of a board by virtue of their position in the CPSU or by being nominated by the CPSU or by a peak council:

Name	Company/Board	Principal Activities	Reporting unit position	Status
Federal Office				
David Carey	Australian Council of Trade Unions Executive (until November 2012)	Union peak body	Yes	Officer
David Carey	Public Services International Executive Board (until November 2012)	International union peak body	Yes	Officer
David Carey	Public Skills Ltd t/a Government Skills Australia (until November 2012)	Training and workforce development	Yes	Officer
David Carey	Catalyst Australia Inc (until November 2012)	Social policy research body	Yes	Officer
Mark Perica	Kensington Flemington Junior Sports Club Inc (up to Dec 2012)	Sports club	No	Employee
Mark Perica	New International Bookshop Co-operative Inc	Bookshop	No	Employee
Troy Wright	Public Skills Ltd t/a Government Skills Australia	Training and workforce development	Yes	Employee

**COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND
ABN 31 572 641 712**

OPERATING REPORT (Continued)

Directorships of company or a member of a board (Continued)

Name	Company/Board	Principal Activities	Reporting unit position	Status
New South Wales				
Linda	Barclay-Hales	Public Service Association and Professional Officers' Association Amalgamated Union of New South Wales	Registered industrial organisation under Industrial Relations Act 1996 (NSW)	No Officer
John	Cahill	Unions NSW	NSW peak union body	No Officer
John	Cahill	Public Service Association and Professional Officers' Association Amalgamated Union of New South Wales (until November 2012)	Registered industrial organisation under Industrial Relations Act 1996 (NSW)	No Officer
Ron	Davis	Public Service Association and Professional Officers' Association Amalgamated Union of New South Wales	Registered industrial organisation under Industrial Relations Act 1996 (NSW)	No Officer
Greg	Delprado	Public Service Association and Professional Officers' Association Amalgamated Union of New South Wales	Registered industrial organisation under Industrial Relations Act 1996 (NSW)	No Officer
Rex	Drummond	Public Service Association and Professional Officers' Association Amalgamated Union of New South Wales	Registered industrial organisation under Industrial Relations Act 1996 (NSW)	No Officer
Adrienne	Harris	Public Service Association and Professional Officers' Association Amalgamated Union of New South Wales	Registered industrial organisation under Industrial Relations Act 1996 (NSW)	No Officer
Wendy	Hurry	Public Service Association and Professional Officers' Association Amalgamated Union of New South Wales	Registered industrial organisation under Industrial Relations Act 1996 (NSW)	No Officer
Leon	Parissi	Public Service Association and Professional Officers' Association Amalgamated Union of New South Wales	Registered industrial organisation under Industrial Relations Act 1996 (NSW)	No Officer
Jenny	Singleton	Public Service Association and Professional Officers' Association Amalgamated Union of New South Wales	Registered industrial organisation under Industrial Relations Act 1996 (NSW)	No Officer
Steve	Turner	Delta Electricity	Electricity generator	No Officer
Steve	Turner	Public Service Association and Professional Officers' Association Amalgamated Union of New South Wales	Registered industrial organisation under Industrial Relations Act 1996 (NSW)	No Officer
Suzanne	Walsh	Unions NSW	NSW peak union body	No Officer
Suzanne	Walsh	Public Service Association and Professional Officers' Association Amalgamated Union of New South Wales	Registered industrial organisation under Industrial Relations Act 1996 (NSW)	No Officer

COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND
ABN 31 572 641 712

OPERATING REPORT (Continued)

Directorships of company or a member of a board (Continued)

Name	Company/Board	Principal Activities	Reporting unit position	Status
New South Wales				
Brian	Webb	Public Service Association and Professional Officers' Association Amalgamated Union of New South Wales	Registered industrial organisation under Industrial Relations Act 1996 (NSW)	No Officer
South Australia				
Lesley	Hughes	Public Service Association of South Australia Incorporated	Industrial association registered under Fair Work Act 1994 (SA)	No Officer
Neville	Kitchin	Health Partners	Private health insurance	No Officer
Neville	Kitchin	City Community Children's Centre	Child care provider	No Officer
Neville	Kitchin	Public Service Association of South Australia Incorporated	Industrial association registered under Fair Work Act 1994 (SA)	No Officer
Jan	McMahon	Health Partners	Private health insurance	No Officer
Jan	McMahon	People's Choice Credit Union	Financial institution	No Officer
Jan	McMahon	Superannuation Funds Management Corporation of SA	Superannuation	No Officer
Jan	McMahon	Public Service Association of South Australia Incorporated	Industrial association registered under Fair Work Act 1994 (SA)	No Officer
Lindsay	Oxlad	Health Partners	Private health insurance	No Officer
Lindsay	Oxlad	Public Service Association of South Australia Incorporated	Industrial association registered under Fair Work Act 1994 (SA)	No Officer
Margaret	Warner	Public Service Association of South Australia Incorporated	Industrial association registered under Fair Work Act 1994 (SA)	No Officer
Tasmania				
Rosmyn	Faulks	The Community and Public Sector Union (State Public Services Federation Tasmania) Inc	Employee Association registered under Industrial Relations Act 1984 (Tas)	No Officer
Mat	Johnston	The Community and Public Sector Union (State Public Services Federation Tasmania) Inc	Employee Association registered under Industrial Relations Act 1984 (Tas)	No Officer
Tom	Lynch	Kickstart Arts Inc	Delivery of community development arts projects	No Officer

**COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND
ABN 31 572 641 712**

OPERATING REPORT (Continued)

Directorships of company or a member of a board (Continued)

Name		Company/Board	Principal Activities	Reporting unit position	Status
Tasmania					
Tom	Lynch	The Community and Public Sector Union (State Public Services Federation Tasmania) Inc	Employee Association registered under Industrial Relations Act 1984 (Tas)	No	Officer
Grant	Ransley	The Community and Public Sector Union (State Public Services Federation Tasmania) Inc	Employee Association registered under Industrial Relations Act 1984 (Tas)	No	Officer
Victoria					
Karen	Batt	Occupational Health and Safety Advisory Committee	Advisory body on the emerging issues in Health and Safety in Victoria	No	Officer
Karen	Batt	Victorian Trades Hall Council Executive	Peak union body in Victoria	No	Officer
Karen	Batt	Australian Council of Trade Unions Executive (from November 2012)	Peak union body	Yes	Officer
Karen	Batt	Community and Public Sector Union/SPSF Group Victorian Branch	Registered organisation under Fair Work Act 2009 (Cth)	No	Officer
Catherine	Davies	Southern Community Broadcasters Inc (until August 2012)	Community radio	No	Officer
Catherine	Davies	Community and Public Sector Union/SPSF Group Victorian Branch	Registered organisation under Fair Work Act 2009 (Cth)	No	Officer
Peter	Lillywhite	Entomological Society of Victoria Inc	Society of professional and amateur entomologists	No	Officer
Peter	Lillywhite	Community and Public Sector Union/SPSF Group Victorian Branch	Registered organisation under Fair Work Act 2009 (Cth)	No	Officer
James	Walton	Community and Public Sector Union/SPSF Group Victorian Branch	Registered organisation under Fair Work Act 2009 (Cth)	No	Officer

COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND
ABN 31 572 641 712

OPERATING REPORT (Continued)

Directorships of company or a member of a board (Continued)

Name		Company/Board	Principal Activities	Reporting unit position	Status
Western Australia					
Brian	Dodds	The Civil Service Association of Western Australia Incorporated	Industrial organisation registered under the Industrial Relations Act 1979 (WA)	No	Officer
Brian	Dodds	Society of Professional Social Workers (Inc)	Professional development and training, advocacy and support	No	Officer
Brian	Dodds	Melville Airforce Association Brass Inc	Music performance	No	Officer
Denise	Henden	Civil Service Insurance Agency Pty Ltd	Insurance services	No	Officer
Denise	Henden	CSA Services Pty Ltd	Financial services	No	Officer
Denise	Henden	The Civil Service Association of Western Australia Incorporated	Industrial organisation registered under the Industrial Relations Act 1979 (WA)	No	Officer
Leanne	McKay	CSA Services Pty Ltd	Financial services	No	Officer
Leanne	McKay	Civil Service Insurance Agency Pty Ltd	Insurance services	No	Officer
Gavin	Richards	The Civil Service Association of Western Australia Incorporated	Industrial organisation registered under the Industrial Relations Act 1979 (WA)	No	Officer
Toni	Walkington	The Civil Service Association of Western Australia Incorporated	Industrial organisation registered under the Industrial Relations Act 1979 (WA)	No	Officer
Toni	Walkington	Electrical, Utilities and Public Administration Training Council of WA	Training and workforce development advice	No	Officer
Toni	Walkington	Civil Service Holdings Pty Ltd	Holding company	No	Officer
Toni	Walkington	CSA Services Pty Ltd	Financial services	No	Officer
Toni	Walkington	Civil Service Insurance Agency Pty Ltd	Insurance services	No	Officer
Toni	Walkington	Unions WA	Peak union body WA	No	Officer

Signed in accordance with a resolution of the Federal Executive:

Signature of designated officer: 

Name of designated officer: Karen Batt

Title of designated officer: Federal Secretary

Date: 17th September 2013

COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND
ABN 31 572 641 712

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2013

	Note	2013 \$	2012 \$
Revenue from continuing operations	3	1,795,264	1,884,169
Expenses			
Administrative and other expenses		(236,319)	(234,061)
Affiliation fees and levies		(64,286)	(174,452)
Campaign and project expenses		(5,755)	(128,921)
Communication expenses		(34,663)	(37,153)
Employee related expenses		(1,033,173)	(1,275,933)
Meeting and conference expenses		(3,181)	(13,748)
Provision for impairment		(420,000)	(420,000)
Travel expenses		(164,761)	(202,638)
		<u>(1,962,138)</u>	<u>(2,486,906)</u>
(Deficit) for the year		<u>(166,874)</u>	<u>(602,737)</u>
(Deficit) attributable to the members		(166,874)	(602,737)
Other comprehensive income			
Changes in reserves		-	-
Total comprehensive (expense) for the year attributable to the members		<u>(166,874)</u>	<u>(602,737)</u>

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND
ABN 31 572 641 712

BALANCE SHEET
AS AT 30 JUNE 2013

	2013 \$	2012 \$
ASSETS		
Current assets		
Cash and cash equivalents	45,065	530,049
Held-to-maturity financial assets	1,200,000	1,200,000
Trade and other receivables	<u>158,808</u>	<u>260,541</u>
Total current assets	<u>1,403,873</u>	<u>1,990,590</u>
Non-current assets		
Property, plant and equipment	<u>86,904</u>	<u>112,428</u>
Total non-current assets	<u>86,904</u>	<u>112,428</u>
Total assets	<u>1,490,777</u>	<u>2,103,018</u>
LIABILITIES		
Current liabilities		
Trade and other payables	181,228	321,738
Provisions	<u>105,807</u>	<u>410,664</u>
Total current liabilities	<u>287,035</u>	<u>732,402</u>
Total liabilities	<u>287,035</u>	<u>732,402</u>
Net assets	<u>1,203,742</u>	<u>1,370,616</u>
FUNDS		
Accumulated surplus	<u>1,203,742</u>	<u>1,370,616</u>
Total funds	<u>1,203,742</u>	<u>1,370,616</u>

The above balance sheet should be read in conjunction with the accompanying notes.

COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND
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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2013

	Accumulated surplus \$	Other funds \$	Total \$
Balance at 1 July 2011	1,973,353	-	1,973,353
Total comprehensive income for the year	(602,737)	-	(602,737)
Transfer from federal fund	-	-	-
Balance at 30 June 2012	<u>1,370,616</u>	<u>-</u>	<u>1,370,616</u>
Balance at 1 July 2012	1,370,616	-	1,370,616
Total comprehensive income for the year	(166,874)	-	(166,874)
Transfer from federal fund	-	-	-
Balance at 30 June 2013	<u>1,203,742</u>	<u>-</u>	<u>1,203,742</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes.

COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND
ABN 31 572 641 712

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2013

	2013 \$	2012 \$
Cash flows from operating activities		
Receipts from other reporting units (inclusive of GST)		
- PSA of NSW	669,092	728,960
- QLD Branch	-	40,667
- SA Branch	190,444	197,267
- TAS Branch	65,196	67,666
- VIC Branch	231,142	238,252
- WA Branch	262,710	258,413
Receipts from controlled entities	-	-
Sundry income	64	2,539
Payments to suppliers and employees (inclusive of GST)	(1,788,110)	(1,797,373)
Payments to other reporting units		
- PSA of NSW	(84,189)	(82,084)
- NSW Branch	(744)	(363)
- SA Branch	(18,960)	(3,149)
- TAS Branch	(13,052)	-
- VIC Branch	(23,089)	(5,153)
- WA Branch	(50,654)	(38,536)
Payments to controlled entities	-	-
Interest received	77,476	103,638
Net cash (outflow) from operating activities	(482,674)	(289,256)
Cash flows from investing activities		
Redemption of investment	-	676,579
Payment for property, plant and equipment	(2,310)	(24,628)
Net cash (outflow) inflow from investing activities	(2,310)	651,951
Net (decrease) increase in cash and cash equivalents	(484,984)	362,695
Cash and cash equivalents at beginning of financial year	530,049	167,354
Cash and cash equivalents at end of financial year	45,065	530,049

The above statement of cash flows should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

1: Summary of significant accounting policies

(a) Basis of preparation

The concise financial reports have been prepared in accordance with the requirements of the *Fair Work (Registered Organisations) Act 2009* and Accounting Standard AASB 1039 *Concise Financial Reports*.

A full general purpose financial report has been prepared for the Community and Public Sector Union SPSF Group - Federal Fund (CPSU). The financial statements and specific disclosures included in the concise financial report have been derived from the general purpose financial report of the Branch. The concise financial report cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the the CPSU as the general purpose financial report of the the CPSU.

(b) Basis of accounting

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Fair Work (Registered Organisations) Act 2009*.

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets and financial assets and liabilities at fair value through profit or loss.

The accounting policies adopted have been consistently applied to all years presented, unless otherwise stated.

(c) Presentation currency

The presentation currency used in this concise financial report is Australian dollars.

2: Section 272 Fair Work (Registered Organisations) Act 2009

In accordance with the requirements of the *Fair Work (Registered Organisations) Act 2009* the attention of members is drawn to the provisions of subsection (1) to (3) of sections 272, which read as follows:

Information to be provided to members or the General Manager of Fair Work Commission:

(1) a member of a reporting unit, or the General Manager of Fair Work Commission, 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).

COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND
ABN 31 572 641 712

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

3: Revenue

	Note	2013 \$	2012 \$
From continuing operations			
<i>Service revenue</i>			
Capitation fees	a	1,708,385	1,790,064
Levies		-	-
Membership subscriptions		-	-
Voluntary contributions and compulsory levies		-	-
		<u>1,708,385</u>	<u>1,790,064</u>
<i>Other revenue</i>			
Interest		65,066	91,528
Grants received		-	-
Donation received		-	-
Financial support from another reporting unit		-	-
Write back of liabilities		21,749	-
Other revenue		64	2,577
		<u>86,879</u>	<u>94,105</u>
		<u>1,795,264</u>	<u>1,884,169</u>

(a) Capitation fees

		2013 \$	2012 \$
PSA of NSW		608,263	662,395
QLD Branch	b	420,000	420,276
SA Branch		172,620	193,975
TAS Branch		59,254	61,266
VIC Branch		208,903	217,193
WA Branch		239,345	234,959
		<u>1,708,385</u>	<u>1,790,064</u>

(b) Capitation fees – Qld Branch

The capitation fee due from the Queensland Branch is still outstanding. An additional impairment provision of \$420,000 has been raised against it in the current year.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

4: Contingencies

Contingent liabilities

After the end of the financial year an un-resolved matter in relation to a potential claim regarding a superannuation liability has arisen. The matter is not currently subject to legal action and will be vigorously defended if necessary. In the circumstances, it has been determined that a provision for this claim is not required particularly as the amount of the potential claim is not currently capable of reliable measurement.

Contingent assets

There are no other known contingent assets or liabilities at 30 June 2013.

5: Events occurring after reporting date

Capitation fees due from the Queensland Branch continue to remain unpaid. This has continued to have a major effect on the cash flow of the Federal Fund. Apart from this, no matter or circumstance has arisen since the end of the financial year to the date of this report, that has or may significantly affect the activities of the CPSU, the results of those activities or the state of affairs of the CPSU in the ensuing or any subsequent financial year.

COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND
ABN 31 572 641 712

COMMITTEE OF MANAGEMENT STATEMENT

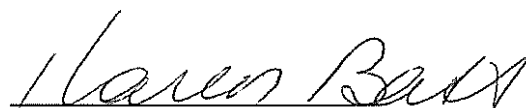
On 17 September 2013 the Committee of Management of the Community and Public Sector Union SPSF Group - Federal Fund passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the year ended 30 June 2013:

The Committee of Management declares that in its opinion;

1. the financial statements and notes comply with Australian Accounting Standards;
2. the financial statements and notes comply with the reporting guidelines of the General Manager;
3. 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;
4. 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; and
5. during the financial year to which the GPFR relates and since the end of that year:
 - a. meetings of the Committee of Management were held in accordance with the rules of the organisation including the rules of branches concerned; and
 - b. 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
 - c. the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
 - d. 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
 - e. where information has been sought in any request by a member of the reporting unit or General Manager duly made under section 272 of the RO Act, that information has been provided to the member or General Manager; and
 - f. 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.
6. All wage recovery activity has resulted in payments being made directly to members by employers. The reporting unit has not derived any revenue in respect of these activities.

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

Signature of designated officer



Name of designated officer: Karen Batt

Position held: Federal Secretary

Dated this

17th September 2013

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND

Report on the concise financial report

We have audited the accompanying concise financial report of the Community And Public Sector Union SPSF Group – Federal Fund comprises the balance sheet as at 30 June 2013, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and related notes, derived from the audited financial report of the Community And Public Sector Union SPSF Group – Federal Fund for the year ended 30 June 2013. The concise financial report also includes discussion and analysis of results and Statement by Committee of Management. The concise financial report does not contain all the disclosures required by the Australian Accounting Standards.

Committee of Management 's responsibility for the concise financial report

The Committee of Management is responsible for the preparation of the concise financial report in accordance with Australian Accounting Standards AASB 1039 *Concise Financial Reports* and the *Fair Work (Registered Organisations) Act 2009* and for such internal control as the Committee of Management determine is necessary to enable the preparation of the concise financial report.

Auditor's responsibility

Our responsibility is to express an opinion on the concise financial report based on our audit procedures which were conducted in accordance with ASA 810 *Engagements to Report on Summary Financial Statements*. We have conducted an independent audit, in accordance with Australian Auditing Standards, of the financial report of Community And Public Sector Union SPSF Group – Federal Fund for the year ended 30 June 2013. We expressed an unmodified audit opinion on the financial report in our report dated 17 September 2013. The Australian 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 for the year is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the concise financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the concise financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation of the concise 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 controls. Our procedures included testing that the information in the concise financial report is derived from, and is consistent with, the financial report for the year, and examination on a test basis, of audit evidence supporting the amounts, discussion and analysis of results, and other disclosures which were not directly derived from the financial report for the year. These procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report complies with AASB 1039 *Concise Financial Reports* and whether the discussion and analysis complies with the requirements laid down in AASB 1039 *Concise Financial Reports*.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND (Continued)

Our audit did not involve an analysis of the prudence of business decisions made by the Committee of Management.

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

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

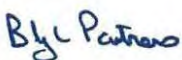
Emphasis of matters

Without modifying our opinion, we would like to draw attention to Note 4 of financial report relating to an unresolved matter concerning a potential claim regarding a superannuation liability. The impact on the financial report cannot be reliably determined at this point in time.

Opinion

In our opinion,

- (1) the concise financial report, including the discussion and analysis of results and the Statement of Committee Management of the Community And Public Sector Union SPSF Group – Federal Fund for the year ended 30 June 2012 complies with Australian Accounting Standard AASB 1039 *Concise Financial Reports* and the *Fair Work (Registered Organisations) Act 2009*.
- (2) the Committee of Management's use of the going concern basis of accounting in the preparation of the entity's financial statements is appropriate



BGL Partners
Chartered Accountants



I A Hinds - C.A. – Partner

Approved auditor

Member of The Institute of Chartered Accountants in Australia and
Holder of current Public Practice Certificate

17 September 2013
Melbourne



**COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL
FUND
ABN 31 572 641 712**

**ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2013**



**COMMUNITY & PUBLIC SECTOR UNION
STATE PUBLIC SERVICES FEDERATION GROUP**

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COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND
ABN 31 572 641 712

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This financial report covers the Community and Public Sector Union SPSF Group - Federal Fund as an individual entity. The financial report is presented in the Australian currency.

The Community and Public Sector Union SPSF Group - Federal Fund is a registered body under *the Fair Work (Registered Organisations) Act 2009* and is domiciled in Australia.

The principal place of business is:

Community and Public Sector Union SPSF Group - Federal Fund
1st Floor, 160 Clarence Street
SYDNEY NSW 2000

The financial report was authorised for issue by the committee of management on 17 September 2013.

COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND
ABN 31 572 641 712

OPERATING REPORT

The Federal Executive presents their report on the Community and Public Sector Union SPSF Group - Federal Fund (The CPSU) for the financial year ended 30 June 2013.

Members of Federal Executive

The name of each person who has been a member of the Federal Executive at any time during or since the end of the financial year is as follows:

<i>Name</i>	<i>Position</i>
D. Carey	Federal Secretary (resigned 28 November 2012)
K. Batt	Federal Secretary (elected 28 November 2012)
J. Cahill	Federal President
	Federal Vice President - NSW
A. Scott	Senior Federal Vice President – QLD (resigned 30 Aug 2012)
K. Batt	Federal Vice President – VIC
J. McMahon	Federal Vice President – SA
T. Walkington	Federal Vice President - WA
T. Lynch	Federal Vice President - TAS
V. Doogan	QLD Branch Delegate (resigned 29 Aug 2012)
J. Gaines	WA Branch Delegate
P. Lillywhite	Victorian Branch Delegate
L. Oxlad	SA Branch Delegate
S. Walsh	NSW Branch Delegate
G Ransley	Tasmanian Branch Delegate

Members have been in office since the start of the financial year to the date of this report unless otherwise stated.

COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND
ABN 31 572 641 712

OPERATING REPORT (Continued)

Review of principal activities, the results of those activities and any significant changes in the nature of those activities during the year

The CPSU is a professional and industrial organisation, registered under the *Fair Work (Registered Organisations Act) 2009*, representing public sector workers across Australia. The CPSU is a democratic, federated structure, with a Federal Office, based in Sydney, and branches in every state of Australia.

The primary object of the CPSU is to represent the professional and industrial interests of its members and to promote and defend Australia's high quality public service system. We do this by enacting strategies and campaigns which enhance the working conditions, living standards and professional rights of members.

The CPSU is a democratic, membership-focused organisation, always aiming to act in the best interests of members and the public service system. The union at all levels operates on principles of effective transparent governance and strong leadership, providing an effective voice for our members in Australia and internationally.

Capitation fees from the Queensland Branch totalling some \$840,000 still remain unpaid for the 2012 and 2013 years. Their recovery is subject to legal proceedings. Apart from this, no significant changes in the state of financial affairs of the CPSU occurred during the financial year.

During the financial period the CPSU has successfully campaigned for enhanced and support the professional status of CPSU members in public sector through professional development and training and conferences, representation of members on professional bodies and to employers; made submissions and appeared before Commonwealth of Australia Parliamentary Committee and various federal inquiries; protected and enhanced the industrial rights of CPSU members with CPSU Branches through industrial representation and negotiation of collective agreements.

During the reporting period the union was actively involved in representing its members across Australia in a range of industrial disputes, enterprise bargaining campaigns as well as broad community based activities aimed at highlighting the role our members play in the quality of life for the citizens of each State.

Highlights of the year have included enterprise bargaining for the newly created AHPRA in South Australia, Western Australia and New South Wales. We were also involved in the enterprise bargaining for the National Heavy Vehicle Registration agency in Brisbane. The work in the various states on enterprise bargaining saw over 28 .EBA's being negotiated across the country but with the vast majority (20) being in Victoria given the referral of powers by the State Government of Victoria to the Commonwealth for State public sector and service industrial regulation. Of note in relation to this 2 agreements were arbitrated outcomes for a Parks Victoria Workplace Determination 2013 and the Victorian Public Service Workplace Determination 2012.

Higher education activity was also a focus of the year with the federal office assisting the NSW Branch with matters at both Macquarie University and the University of NSW.

Extensive work was done to consolidate the unions coverage for entities that were privatised, corporatized or became federal system employers as a result of the use by the Commonwealth of the Corporations power of the Constitution to under pin the Fair Work Act or by forma referral by a State Government. This includes but is not limited to work to amend our rules to facilitate the amalgamation of the Western Australian Prison Officers' Union (WAPOU). We also provided assistance to the Branches on matters relating to the NSW electricity sector, our coverage in Queensland generally and to negotiate demarcation settlements with a number of unions in relation to matters such as helicopter air crews.

During the reporting period an election was called for the position of Federal Secretary. In late November Karen Batt, the Victorian Branch Secretary was declared as Federal Secretary for the CPSU/SPSF Group.

The administration and the finances of the union were over hauled and new operating systems were introduced as a means of streamlining the federal union's operations. Development of Governance codes along with a complete review of the financial position of the union has placed us in a stronger position going forward into the 2013-2014 reporting period.

COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND
ABN 31 572 641 712

OPERATING REPORT (Continued)

Review of principal activities, the results of those activities and any significant changes in the nature of those activities during the year (Continued)

The union continues its participation in a range of ACTU activities and committees and nominated new representatives to UniSuper and Government Skills Australia. This includes actively working with the ASU to have the then Federal Government commitment to rectifying the discrimination that exists as a result of the failure of Australia to ratify the ILO Convention and regulations that underpin the rights of public sector workers to bargain with the same protections as their private sector counter parts.

The federal union is still working through its Queensland difficulties and hopes this may be addressed in the next financial year. The important note here was that the restructuring of the unions finances to address the shortfall brought about by the Queensland dispute has been achieved without impacting on the union's reserves.

Right of members to resign

Rule 8 of Chapter C of Federal Rule sets out the terms under which a member of the Branch may resign. A member may resign from membership of the Union by notice in writing, addressed to the Branch Secretary, if the member cease to be eligible to become a member of the Union or the member give notice not less than two weeks before the resignation is to take effect.

Union Details

Number of employees

The number of equivalent full time employees at 30 June 2013 was 2 (2012: 8.5)

Number of members

The number of members across 7 branches at 30 June 2013 was 85,297 (2012: 91,601).

COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND
ABN 31 572 641 712

OPERATING REPORT (Continued)

Directorships of Superannuation Fund

To the best of our knowledge and belief, the following officer and employee of the CPSU is superannuation fund trustee(s) or a director of a company that is a superannuation fund trustee:

Name	Company/Board	Principal Activities	Reporting unit position	Status
New South Wales				
Suzanne Walsh	State Super Financial Services Australia Limited	Superannuation provider	No	Fed officer
Suzanne Walsh	State Super Trustee Corporation	Superannuation provider	No	Fed officer
South Australia				
Jan McMahon	South Australian Superannuation Board	Superannuation	No	Fed officer
Jan McMahon	Southern Select superannuation Corporation Board	Superannuation	No	Fed officer

Directorships of company or a member of a board

To the best of our knowledge and belief, the following officers and employees of the CPSU are directors of a company or a member of a board by virtue of their position in the CPSU or by being nominated by the CPSU or by a peak council:

Name	Company/Board	Principal Activities	Reporting unit position	Status
Federal Office				
David Carey	Australian Council of Trade Unions Executive (until November 2012)	Union peak body	Yes	Officer
David Carey	Public Services International Executive Board (until November 2012)	International union peak body	Yes	Officer
David Carey	Public Skills Ltd t/a Government Skills Australia (until November 2012)	Training and workforce development	Yes	Officer
David Carey	Catalyst Australia Inc (until November 2012)	Social policy research body	Yes	Officer
Mark Perica	Kensington Flemington Junior Sports Club Inc (up to Dec 2012)	Sports club	No	Employee
Mark Perica	New International Bookshop Co-operative Inc	Bookshop	No	Employee
Troy Wright	Public Skills Ltd t/a Government Skills Australia	Training and workforce development	Yes	Employee

COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND
ABN 31 572 641 712

OPERATING REPORT (Continued)

Directorships of company or a member of a board (Continued)

Name	Company/Board	Principal Activities	Reporting unit position	Status
New South Wales				
Linda	Barclay-Hales	Public Service Association and Professional Officers' Association Amalgamated Union of New South Wales Unions NSW	Registered industrial organisation under Industrial Relations Act 1996 (NSW)	No Officer
John	Cahill	Public Service Association and Professional Officers' Association Amalgamated Union of New South Wales (until November 2012)	Registered industrial organisation under Industrial Relations Act 1996 (NSW)	No Officer
John	Cahill	Public Service Association and Professional Officers' Association Amalgamated Union of New South Wales (until November 2012)	Registered industrial organisation under Industrial Relations Act 1996 (NSW)	No Officer
Ron	Davis	Public Service Association and Professional Officers' Association Amalgamated Union of New South Wales	Registered industrial organisation under Industrial Relations Act 1996 (NSW)	No Officer
Greg	Delprado	Public Service Association and Professional Officers' Association Amalgamated Union of New South Wales	Registered industrial organisation under Industrial Relations Act 1996 (NSW)	No Officer
Rex	Drummond	Public Service Association and Professional Officers' Association Amalgamated Union of New South Wales	Registered industrial organisation under Industrial Relations Act 1996 (NSW)	No Officer
Adrienne	Harris	Public Service Association and Professional Officers' Association Amalgamated Union of New South Wales	Registered industrial organisation under Industrial Relations Act 1996 (NSW)	No Officer
Wendy	Hurry	Public Service Association and Professional Officers' Association Amalgamated Union of New South Wales	Registered industrial organisation under Industrial Relations Act 1996 (NSW)	No Officer
Leon	Parissi	Public Service Association and Professional Officers' Association Amalgamated Union of New South Wales	Registered industrial organisation under Industrial Relations Act 1996 (NSW)	No Officer
Jenny	Singleton	Public Service Association and Professional Officers' Association Amalgamated Union of New South Wales	Registered industrial organisation under Industrial Relations Act 1996 (NSW)	No Officer
Steve	Turner	Delta Electricity	Electricity generator	No Officer
Steve	Turner	Public Service Association and Professional Officers' Association Amalgamated Union of New South Wales	Registered industrial organisation under Industrial Relations Act 1996 (NSW)	No Officer
Suzanne	Walsh	Unions NSW	NSW peak union body	No Officer
Suzanne	Walsh	Public Service Association and Professional Officers' Association Amalgamated Union of New South Wales	Registered industrial organisation under Industrial Relations Act 1996 (NSW)	No Officer

COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND
ABN 31 572 641 712

OPERATING REPORT (Continued)

Directorships of company or a member of a board (Continued)

Name	Company/Board	Principal Activities	Reporting unit position	Status
New South Wales				
Brian	Webb	Public Service Association and Professional Officers' Association Amalgamated Union of New South Wales	Registered industrial organisation under Industrial Relations Act 1996 (NSW)	No Officer
South Australia				
Lesley	Hughes	Public Service Association of South Australia Incorporated	Industrial association registered under Fair Work Act 1994 (SA)	No Officer
Neville	Kitchin	Health Partners	Private health insurance	No Officer
Neville	Kitchin	City Community Children's Centre	Child care provider	No Officer
Neville	Kitchin	Public Service Association of South Australia Incorporated	Industrial association registered under Fair Work Act 1994 (SA)	No Officer
Jan	McMahon	Health Partners	Private health insurance	No Officer
Jan	McMahon	People's Choice Credit Union	Financial institution	No Officer
Jan	McMahon	Superannuation Funds Management Corporation of SA	Superannuation	No Officer
Jan	McMahon	Public Service Association of South Australia Incorporated	Industrial association registered under Fair Work Act 1994 (SA)	No Officer
Lindsay	Oxlad	Health Partners	Private health insurance	No Officer
Lindsay	Oxlad	Public Service Association of South Australia Incorporated	Industrial association registered under Fair Work Act 1994 (SA)	No Officer
Margaret	Warner	Public Service Association of South Australia Incorporated	Industrial association registered under Fair Work Act 1994 (SA)	No Officer
Tasmania				
Rosmyn	Faulks	The Community and Public Sector Union (State Public Services Federation Tasmania) Inc	Employee Association registered under Industrial Relations Act 1984 (Tas)	No Officer
Mat	Johnston	The Community and Public Sector Union (State Public Services Federation Tasmania) Inc	Employee Association registered under Industrial Relations Act 1984 (Tas)	No Officer
Tom	Lynch	Kickstart Arts Inc	Delivery of community development arts projects	No Officer

COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND
ABN 31 572 641 712

OPERATING REPORT (Continued)

Directorships of company or a member of a board (Continued)

Name		Company/Board	Principal Activities	Reporting unit position	Status
Tasmania					
Tom	Lynch	The Community and Public Sector Union (State Public Services Federation Tasmania) Inc	Employee Association registered under Industrial Relations Act 1984 (Tas)	No	Officer
Grant	Ransley	The Community and Public Sector Union (State Public Services Federation Tasmania) Inc	Employee Association registered under Industrial Relations Act 1984 (Tas)	No	Officer
Victoria					
Karen	Batt	Occupational Health and Safety Advisory Committee	Advisory body on the emerging issues in Health and Safety in Victoria	No	Officer
Karen	Batt	Victorian Trades Hall Council Executive	Peak union body in Victoria	No	Officer
Karen	Batt	Australian Council of Trade Unions Executive (from November 2012)	Peak union body	Yes	Officer
Karen	Batt	Community and Public Sector Union/SPSF Group Victorian Branch	Registered organisation under Fair Work Act 2009 (Cth)	No	Officer
Catherine	Davies	Southern Community Broadcasters Inc (until August 2012)	Community radio	No	Officer
Catherine	Davies	Community and Public Sector Union/SPSF Group Victorian Branch	Registered organisation under Fair Work Act 2009 (Cth)	No	Officer
Peter	Lillywhite	Entomological Society of Victoria Inc	Society of professional and amateur entomologists	No	Officer
Peter	Lillywhite	Community and Public Sector Union/SPSF Group Victorian Branch	Registered organisation under Fair Work Act 2009 (Cth)	No	Officer
James	Walton	Community and Public Sector Union/SPSF Group Victorian Branch	Registered organisation under Fair Work Act 2009 (Cth)	No	Officer

COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND
ABN 31 572 641 712

OPERATING REPORT (Continued)

Directorships of company or a member of a board (Continued)

Name		Company/Board	Principal Activities	Reporting unit position	Status
Western Australia					
Brian	Dodds	The Civil Service Association of Western Australia Incorporated	Industrial organisation registered under the Industrial Relations Act 1979 (WA)	No	Officer
Brian	Dodds	Society of Professional Social Workers (Inc)	Professional development and training, advocacy and support	No	Officer
Brian	Dodds	Melville Airforce Association Brass Inc	Music performance	No	Officer
Denise	Henden	Civil Service Insurance Agency Pty Ltd	Insurance services	No	Officer
Denise	Henden	CSA Services Pty Ltd	Financial services	No	Officer
Denise	Henden	The Civil Service Association of Western Australia Incorporated	Industrial organisation registered under the Industrial Relations Act 1979 (WA)	No	Officer
Leanne	McKay	CSA Services Pty Ltd	Financial services	No	Officer
Leanne	McKay	Civil Service Insurance Agency Pty Ltd	Insurance services	No	Officer
Gavin	Richards	The Civil Service Association of Western Australia Incorporated	Industrial organisation registered under the Industrial Relations Act 1979 (WA)	No	Officer
Toni	Walkington	The Civil Service Association of Western Australia Incorporated	Industrial organisation registered under the Industrial Relations Act 1979 (WA)	No	Officer
Toni	Walkington	Electrical, Utilities and Public Administration Training Council of WA	Training and workforce development advice	No	Officer
Toni	Walkington	Civil Service Holdings Pty Ltd	Holding company	No	Officer
Toni	Walkington	CSA Services Pty Ltd	Financial services	No	Officer
Toni	Walkington	Civil Service Insurance Agency Pty Ltd	Insurance services	No	Officer
Toni	Walkington	Unions WA	Peak union body WA	No	Officer

Signed in accordance with a resolution of the Federal Executive:

Signature of designated officer: 

Name of designated officer: Karen Batt

Title of designated officer: Federal Secretary

Date: 17th September 2013

COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND
ABN 31 572 641 712

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2013

	Notes	2013 \$	2012 \$
Revenue from continuing operations	4	1,795,264	1,884,169
Expenses			
Administrative and other expenses	6	(236,319)	(234,061)
Affiliation fees and levies	7	(64,286)	(174,452)
Campaign and project expenses	8	(5,755)	(128,921)
Communication expenses		(34,663)	(37,153)
Employee related expenses	9	(1,033,173)	(1,275,933)
Meeting and conference expenses		(3,181)	(13,748)
Provision for impairment		(420,000)	(420,000)
Travel expenses		(164,761)	(202,638)
		<u>(1,962,138)</u>	<u>(2,486,906)</u>
(Deficit) for the year		<u>(166,874)</u>	<u>(602,737)</u>
(Deficit) attributable to the members		(166,874)	(602,737)
Other comprehensive income			
Changes in reserves		-	-
Total comprehensive (expense) for the year attributable to the members		<u>(166,874)</u>	<u>(602,737)</u>

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND
ABN 31 572 641 712

BALANCE SHEET
AS AT 30 JUNE 2013

	Notes	2013 \$	2012 \$
ASSETS			
Current assets			
Cash and cash equivalents	10	45,065	530,049
Held-to-maturity financial assets	11	1,200,000	1,200,000
Trade and other receivables	12	<u>158,808</u>	<u>260,541</u>
Total current assets		<u>1,403,873</u>	<u>1,990,590</u>
Non-current assets			
Property, plant and equipment	13	<u>86,904</u>	<u>112,428</u>
Total non-current assets		<u>86,904</u>	<u>112,428</u>
Total assets		<u>1,490,777</u>	<u>2,103,018</u>
LIABILITIES			
Current liabilities			
Trade and other payables	14	181,228	321,738
Provisions	15	<u>105,807</u>	<u>410,664</u>
Total current liabilities		<u>287,035</u>	<u>732,402</u>
Total liabilities		<u>287,035</u>	<u>732,402</u>
Net assets		<u>1,203,742</u>	<u>1,370,616</u>
FUNDS			
Accumulated surplus	16	<u>1,203,742</u>	<u>1,370,616</u>
Total funds		<u>1,203,742</u>	<u>1,370,616</u>

The above balance sheet should be read in conjunction with the accompanying notes.

COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND
ABN 31 572 641 712

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2013

	Accumulated surplus \$	Other funds \$	Total \$
Balance at 1 July 2011	1,973,353	-	1,973,353
Total comprehensive income for the year	(602,737)	-	(602,737)
Transfer from federal fund	-	-	-
Balance at 30 June 2012	<u>1,370,616</u>	-	<u>1,370,616</u>
Balance at 1 July 2012	1,370,616	-	1,370,616
Total comprehensive income for the year	(166,874)	-	(166,874)
Transfer from federal fund	-	-	-
Balance at 30 June 2013	<u>1,203,742</u>	-	<u>1,203,742</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes.

COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND
ABN 31 572 641 712

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2013

	Note	2013 \$	2012 \$
Cash flows from operating activities			
Receipts from other reporting units (inclusive of GST)			
- PSA of NSW		669,092	728,960
- QLD Branch		-	40,667
- SA Branch		190,444	197,267
- TAS Branch		65,196	67,666
- VIC Branch		231,142	238,252
- WA Branch		262,710	258,413
Receipts from controlled entities		-	-
Sundry income		64	2,539
Payments to suppliers and employees (inclusive of GST)		(1,788,110)	(1,797,373)
Payments to other reporting units			
- PSA of NSW		(84,189)	(82,084)
- NSW Branch		(744)	(363)
- SA Branch		(18,960)	(3,149)
- TAS Branch		(13,052)	-
- VIC Branch		(23,089)	(5,153)
- WA Branch		(50,654)	(38,536)
Payments to controlled entities		-	-
Interest received		77,476	103,638
Net cash (outflow) from operating activities	23	<u>(482,674)</u>	<u>(289,256)</u>
Cash flows from investing activities			
Redemption of investment		-	676,579
Payment for property, plant and equipment		(2,310)	(24,628)
Net cash (outflow) inflow from investing activities		<u>(2,310)</u>	<u>651,951</u>
Net (decrease) increase in cash and cash equivalents		(484,984)	362,695
Cash and cash equivalents at beginning of financial year		<u>530,049</u>	<u>167,354</u>
Cash and cash equivalents at end of financial year	10(a)	<u>45,065</u>	<u>530,049</u>

The above statement of cash flows should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

1: Summary of significant accounting policies

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

The financial report includes the separate financial statements for the Community and Public Sector Union SPSF Group - Federal Fund (CPSU).

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the requirements of the *Fair Work (Registered Organisations) Act 2009*. The Community and Public Sector Union SPSF Group - Federal Fund is a not-for-profit entity for the purpose of preparing the financial statements.

Statement of compliance

Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards (AIFRS). A statement of compliance with AIFRS cannot be made due to the CPSU applying the not-for-profit sector requirements contained in AIFRS.

New and amended standards adopted by the CPSU

None of the new standards and amendments to standards that are mandatory for the first time for the financial year beginning 1 July 2012 affected any of the amounts recognised in the current period or any prior period and are not likely to affect future periods.

Early adoption of standards

The CPSU has not elected to apply any pronouncements before their operative date in the annual reporting period beginning 1 July 2012.

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets and financial assets and liabilities at fair value through profit or loss.

Critical accounting estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the CPSU's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

1: Summary of significant accounting policies (Continued)

(b) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of amounts collected on behalf of third parties.

The CPSU recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the CPSU's activities as described below. The amount of revenue is not considered to be reliably measurable until all relating contingencies have been resolved. The CPSU bases its estimates on historical results, taking into consideration the type of member, the type of transaction and the specifics of each arrangement.

Revenue is recognised for the major operating activities as follows:

Capitation fees and levies

Capitation fees and levies are recognised when the right to receive the fee or levy has been established.

Interest income

Interest income is recognised on a time proportion basis using the effective interest method. When a receivable is impaired, the CPSU reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income.

Other revenue

Other revenue is recognised when the right to receive the revenue has been established.

All revenue is stated net of the amount of Goods and Services Tax (GST).

(c) Income tax

In accordance with section 50-15 of the Income Tax Assessment Act, the CPSU is exempt from income tax.

(d) Cash and cash equivalents

For statement of cash flows presentation purposes, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

1: Summary of significant accounting policies (Continued)

(e) Investment in other financial assets

Classification

The CPSU classifies its investments in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at each reporting date. The CPSU does not hold any investments in the following categories: financial assets at fair value through profit or loss and available-for-sale financial assets.

(i) Held-to-maturity financial assets

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the CPSU's management has the positive intention and ability to hold to maturity. If the CPSU were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale. Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the end of the reporting period, which are classified as current assets.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the balance sheet date which are classified as non-current assets. Loans and receivables are included in trade and other receivables in the balance sheet.

Recognition and derecognition

Regular purchases and sales of investments are recognised on trade-date - the date on which the CPSU commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the CPSU has transferred substantially all the risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit and loss are subsequently carried at fair value. Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method. Unrealised gains and losses arising from changes in the fair value of non monetary securities classified as available-for-sale are recognised in equity in the available-for-sale investments revaluation reserve. When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments are included in the income statement as gains and losses from investment securities.

Fair value

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the CPSU establishes fair value by using valuation techniques. These include reference to the fair values of recent arm's length transactions, involving the same instruments or other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the issuer's specific circumstances.

Impairment

The CPSU assesses at each balance date whether there is objective evidence that a financial asset is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of a security below its cost is considered in determining whether the security is impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit and loss - is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

1: Summary of significant accounting policies (Continued)

(f) Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the CPSU is the current bid price; the appropriate quoted market price for financial liabilities is the current ask price.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short term nature. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the CPSU for similar financial instruments.

(g) Property, plant and equipment

Each class of property, plant and equipment is carried at historical cost less any accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of items.

Depreciation

The depreciable amount of all fixed assets including buildings are depreciated over their estimated useful lives to the CPSU commencing from the time the asset is held ready for use.

Class of fixed asset	Depreciation rate	Depreciation basis
Computer equipment	40%	diminishing value
Furniture and equipment	2.5 - 40%	diminishing value

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement.

(h) Trade and other payables

These amounts represent liabilities for goods and services provided to the CPSU prior to the end of the financial year and which are unpaid. These amounts are unsecured and are usually paid within 30 days of recognition.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

1: Summary of significant accounting policies (Continued)

(i) Goods and Service Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the Australian Taxation Office (ATO). In this case, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense.

Receivables and payables in the balance sheet are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the balance sheet.

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

Commitments and contingencies are disclosed inclusive of GST.

(j) Employee benefits

(i) Wages and salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in provision for employee benefits in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

(ii) Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

(k) Functional and presentation currency

Items included in the financial report are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial report is presented in Australian dollars, which is the CPSU's functional and presentation currency.

(l) Comparative figures

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

1: Summary of significant accounting policies (Continued)

(m) Impairment of assets

Other assets 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. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

(n) New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2013 reporting periods. The entity's assessment of the impact of these new standards and interpretations is set out below:

(i) AASB 9 Financial Instruments, AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9 and AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) and AASB 2012-6 Amendments to Australian Accounting Standards – Mandatory Effective Date of AASB 9 and Transitional Disclosures (effective from 1 January 2015)

AASB 9 *Financial Instruments* addresses the classification, measurement and derecognition of financial assets and financial liabilities. The standard is not applicable until 1 January 2015 but is available for early adoption. When adopted, the standard will affect in particular the CPSU's accounting for its available-for-sale financial assets, since AASB 9 only permits the recognition of fair value gains and losses in other comprehensive income if they relate to equity investments that are not held for trading. Fair value gains and losses on available-for-sale debt investments, for example, will therefore have to be recognised directly in profit or loss. This change will not impact the CPSU as current accounting for gains and losses on available-for-sale financial assets is consistent with proposed changes.

There will be no impact on the CPSU's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and the CPSU does not have any such liabilities. The derecognition rules have been transferred from AASB139 *Financial Instruments: Recognition and Measurement* and have not been changed. The CPSU has not yet decided when to adopt AASB 9.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

1: Summary of significant accounting policies (Continued)

(n) New accounting standards and interpretations (Continued)

(ii) AASB 10 Consolidated Financial Statements, AASB 11 Joint Arrangements, AASB 12 Disclosure of Interests in Other Entities, revised AASB 127 Separate Financial Statements and AASB 128 Investments in Associates and Joint Ventures and AASB 2012-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards (effective 1 January 2013)

In August 2012, the AASB issued a suite of five new and amended standards which address the accounting for joint arrangements, consolidated financial statements and associated disclosures. AASB 10 replaces all of the guidance on control and consolidation in AASB 127 *Consolidated and Separate Financial Statements*, and Interpretation 12 *Consolidation – Special Purpose Entities*. The core principle that a consolidated entity presents a parent and its subsidiaries as if they are a single economic entity remains unchanged, as do the mechanics of consolidation.

Proposed changes will not have any impact on the CPSU as the CPSU does not have a material interest in other entities and is not a part of any joint arrangements.

(iii) AASB 13 Fair Value Measurement and AASB 2012-8 Amendments to Australian Accounting Standards arising from AASB 13 (effective 1 January 2013)

AASB 13 was released in September 2012. It explains how to measure fair value and aims to enhance fair value disclosures. The CPSU has yet to determine which, if any, of its current measurement techniques will have to change as a result of the new guidance. It is therefore not possible to state the impact, if any, of the new rules on any of the amounts recognised in the financial statements. However, application of the new standard will impact the type of information disclosed in the notes to the financial statements. The CPSU does not intend to adopt the new standard before its operative date, which means that it would be first applied in the annual reporting period ending 30 June 2014.

(iv) Revised AASB 119 Employee Benefits, AASB 2012-10 Amendments to Australian Accounting Standards arising from AASB 119 (September 2012) and AASB 2012-11 Amendments to AASB 119 (September 2012) arising from Reduced Disclosure Requirements (effective 1 January 2013)

In September 2012, the AASB released a revised standard on accounting for employee benefits. It requires the recognition of all remeasurements of defined benefit liabilities/assets immediately in other comprehensive income (removal of the so-called 'corridor' method) and the calculation of a net interest expense or income by applying the discount rate to the net defined benefit liability or asset. This replaces the expected return on plan assets that is currently included in profit or loss. The standard also introduces a number of additional disclosures for defined benefit liabilities/assets and could affect the timing of the recognition of termination benefits. The amendments will have to be implemented retrospectively. This standard does not impact the CPSU as the CPSU does not have any employees.

There are no other standards that are not yet effective and that are expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

2: Critical accounting estimates and judgements

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the CPSU and that are believed to be reasonable under the circumstances.

(a) Critical accounting estimates and assumptions

The CPSU makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below

Capitation fee from the Queensland Branch

Capitation fees income from the branches is based on the membership numbers reported but the constituent branches. The Queensland Branch did not provide this information for the current year and therefore estimates based on the last reported membership numbers were used to determine the fees due.

(b) Critical judgments in applying the CPSU 's accounting policies

The following are the critical judgements that management has made in the process of applying the CPSU's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

Employee entitlements

Management judgements is applies in determining the following key assumptions in the calculation of long service leave at balance date:

- future increase in wages and salaries;
- future on-costs rates; and
- experience of employees departures and period of service.

3: Section 272 Fair Work (Registered Organisations) Act 2009

In accordance with the requirements of the *Fair Work (Registered Organisations) Act 2009* the attention of members is drawn to the provisions of subsection (1) to (3) of sections 272, which read as follows:

Information to be provided to members or the General Manager of Fair Work Commission:

(1) a member of a reporting unit, or the General Manager of Fair Work Commission, 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).

COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND
ABN 31 572 641 712

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

4: Revenue

	Note	2013 \$	2012 \$
From continuing operations			
<i>Service revenue</i>			
Capitation fees	a	1,708,385	1,790,064
Levies		-	-
Membership subscriptions		-	-
Voluntary contributions and compulsory levies		-	-
		<u>1,708,385</u>	<u>1,790,064</u>
<i>Other revenue</i>			
Interest		65,066	91,528
Grants received		-	-
Donation received		-	-
Financial support from another reporting unit		-	-
Write back of liabilities		21,749	-
Other revenue		64	2,577
		<u>86,879</u>	<u>94,105</u>
		<u>1,795,264</u>	<u>1,884,169</u>

(a) Capitation fees

	2013 \$	2012 \$
PSA of NSW	608,263	662,395
QLD Branch (refer note 2(a))	420,000	420,276
SA Branch	172,620	193,975
TAS Branch	59,254	61,266
VIC Branch	208,903	217,193
WA Branch	239,345	234,959
	<u>1,708,385</u>	<u>1,790,064</u>

COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND
ABN 31 572 641 712

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

5: Expenses

	2013	2012
	\$	\$
The (deficit) for the year includes the following specific expenses:		
<i>Depreciation of non-current assets</i>		
Office furniture & equipment	19,818	31,815
Computer equipment	7,116	9,571
	<u>26,934</u>	<u>41,386</u>
<i>Provision for impairment</i>		
Branch receivables – Qld Branch	420,000	420,000
Capitation fees paid	-	-
Loss on disposals of fixed assets	900	-

During the year the following fees were paid or payable for services provided by the auditor and its related practices:

Audit of the financial report – previous auditor	-	8,400
Accounting service – previous auditor	500	4,000
Audit of the financial report – current auditor	8,500	7,000
Accounting service – current auditor	4,656	-

6: Administration and other expenses

	2013	2012
	\$	\$
Audit & accounting fee	13,656	19,400
Consideration to employers for payroll deduction	-	-
Fees/allowances – meeting and conferences	-	-
Grants paid	-	-
Legal fees		
- litigation	-	-
- other legal matters	49,777	22,672
Depreciation	26,934	41,386
Donations (>\$1,000 each)	-	12,500
Donations (<\$1,000 each)	100	-
Occupancy expenses	75,444	90,307
Penalties – RO Act or RO Regulations	-	-
Other expenses	70,408	47,796
	<u>236,319</u>	<u>234,061</u>

COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND
ABN 31 572 641 712

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

7: Affiliation fees and levies

	2013	2012
	\$	\$
<i>Affiliation fee</i>		
APHEDA	2,418	2,418
PSI	61,430	128,884
AIER	250	3,000
Aust. Catalyst	23	40,000
AFTINET	165	150
<i>Compulsory levies</i>	-	-
	<u>64,286</u>	<u>174,452</u>

8: Campaign and project expenses

	2013	2012
	\$	\$
Campaign expenses	5,755	23,921
Research	-	105,000
	<u>5,755</u>	<u>128,921</u>

9: Employee related expenses

	2013	2012
	\$	\$
<i>Employees other than holders of office</i>		
- wages and salaries	743,232	734,951
- superannuation	117,166	130,948
- leave and other entitlements (net)	(125,206)	68,787
- separation and redundancies	158,085	-
- other employee expenses	-	-
<i>Holders of office</i>		
- wages and salaries	250,985	176,892
- superannuation	32,262	57,495
- leave and other entitlements (net)	(179,650)	45,898
- separation and redundancies	-	-
- other employee expenses	-	-
Professional development	467	735
Temporary staff	-	29,039
Other staff costs	<u>35,832</u>	<u>31,188</u>
	<u>1,033,173</u>	<u>1,275,933</u>

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2013

10: Current assets – Cash and cash equivalents

	2013 \$	2012 \$
Cash on hand	-	300
Cash at bank	<u>45,065</u>	<u>529,749</u>
	<u>45,065</u>	<u>530,049</u>

(a) Reconciliation to cash at the end of the year

The above figures are reconciled to cash at the end of the financial year as shown in the statement of cash flows as follows:

Balances as above	<u>45,065</u>	<u>530,049</u>
Balances per statement of cash flows	<u>45,065</u>	<u>530,049</u>

11: Current assets – Held-to-maturity financial assets

	2013 \$	2012 \$
Term deposits	<u>1,200,000</u>	<u>1,200,000</u>

12: Current assets – Trade and other receivables

	2013 \$	2012 \$
<i>Amount due from Branches:</i>		
- PSA of NSW	55,529	55,532
- QLD Branch	924,000	462,000
- SA Branch	15,543	16,105
- TAS Branch	5,442	5,459
- VIC Branch	18,547	19,896
- WA Branch	<u>22,212</u>	<u>21,643</u>
	1,041,273	580,635
Provision for impairment – QLD Branch	<u>(924,000)</u>	<u>(462,000)</u>
	<u>117,273</u>	<u>118,635</u>
Prepayments	19,822	89,546
Other receivables	<u>21,713</u>	<u>52,360</u>
	<u>158,808</u>	<u>260,541</u>

(a) There a dispute between the CPSU and Together Queensland, and the former officers of the Queensland Branch about monies that CPSU says are owing to it. CPSU is

- examining internal documents; and
- making demands that external parties produce further documents; and
- seeking legal advice

to determine the extent of the obligation of Together Queensland or any former officers of the Queensland Branch to remit monies that are owing to the CPSU. This process has not been finalised prior to the end of the reporting period. The calculation of capitation fees is based on the last membership numbers of the Queensland Branch in July 2011.

COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND
ABN 31 572 641 712

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

13: Non-current assets – Property, plant and equipment

	2013 \$	2012 \$
Plant and equipment		
Office furniture and equipment		
At cost	168,026	168,026
Less accumulated depreciation	<u>(92,061)</u>	<u>(72,243)</u>
	<u>75,965</u>	<u>95,783</u>
Computers		
At cost	113,012	113,333
Less accumulated depreciation	<u>(102,073)</u>	<u>(96,688)</u>
	<u>10,939</u>	<u>16,645</u>
Total property, plant and equipment	<u>86,904</u>	<u>112,428</u>

(a) Non-current assets pledged as security

None of the non-currents assets are pledged as security.

(b) 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 year:

	Office Furniture & equipment \$	Computers \$	Total \$
2012			
Opening net book amount	73,155	56,031	129,186
Additions	20,537	4,091	24,628
Re-classification	33,906	(33,906)	-
Depreciation	<u>(31,815)</u>	<u>(9,571)</u>	<u>(41,386)</u>
Closing net book amount	<u>95,783</u>	<u>16,645</u>	<u>112,428</u>
2013			
Opening net book amount	95,783	16,645	112,428
Additions	-	2,310	2,310
Disposals	-	(900)	(900)
Depreciation	<u>(19,818)</u>	<u>(7,116)</u>	<u>(26,934)</u>
Closing net book amount	<u>75,965</u>	<u>10,939</u>	<u>86,904</u>

COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND
ABN 31 572 641 712

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

14: Current liabilities – Trade and other payables

	2013	2012
	\$	\$
<i>Unsecured:</i>		
Trade creditors	99,056	203,318
Legal fee payable	21,021	11,575
<i>Amount due to Branches:</i>		
- PSA of NSW	5,224	24,818
- SA Branch	-	13,264
- TAS Branch	12,268	13,052
- VIC Branch	8,368	9,318
- WA Branch	35,291	25,182
	<u>61,151</u>	<u>85,634</u>
Payable to employers for making payroll deductions	-	-
Other payables and accruals	-	21,211
	<u>181,228</u>	<u>321,738</u>

15: Current liabilities – Provisions

	2013	2012
	\$	\$
Employee provisions:		
<i>Office holders:</i>		
Annual leave	-	131,874
Long service leave	-	47,776
Separations and redundancies	-	-
Other	-	-
	<u>-</u>	<u>179,650</u>
<i>Employees other than office holders:</i>		
Annual leave	60,556	133,313
Long service leave	45,251	97,701
Separations and redundancies	-	-
Other	-	-
	<u>105,807</u>	<u>231,014</u>
Total employee provisions	<u>105,807</u>	<u>410,664</u>

(a) Employee benefits - long service leave

Included in the employee benefits provision is a provision that has been recognised for future employee benefits 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 on an assessment of the individual employee's circumstances. The measurement and recognition criteria for employee benefits have been included in Note 1.

COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND
ABN 31 572 641 712

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

16: Accumulated Surplus

	2013	2012
	\$	\$

Movements in the accumulated surplus were as follows:

Balance 1 July	1,370,616	1,973,353
Net (deficit) for the year	<u>(166,874)</u>	<u>(602,737)</u>
Balance 30 June	<u>1,203,742</u>	<u>1,370,616</u>

No specific funds or accounts have been operated or monies invested in any assets in respect of any compulsory levies or voluntary contributions.

17: Contingencies

Contingent liabilities

After the end of the financial year an un-resolved matter in relation to a potential claim regarding a superannuation liability has arisen. The matter is not currently subject to legal action and will be vigorously defended if necessary. In the circumstances, it has been determined that a provision for this claim is not required particularly as the amount of the potential claim is not currently capable of reliable measurement.

Contingent assets

There are no other known contingent assets or liabilities at 30 June 2013.

18: Commitments

	2013	2012
	\$	\$

Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:

Within one year	7,300	7,300
Later than one year but no later than five years	<u>20,073</u>	<u>27,373</u>
	<u>27,373</u>	<u>34,673</u>

General description of leasing arrangement:

Leases are for photocopier.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

19: Events occurring after reporting date

Capitation fees due from the Queensland Branch continue to remain unpaid. This has continued to have a major effect on the cash flow of the Federal Fund. Apart from this, no matter or circumstance has arisen since the end of the financial year to the date of this report, that has or may significantly affect the activities of the CPSU, the results of those activities or the state of affairs of the CPSU in the ensuing or any subsequent financial year.

20: Other information

(i) Going Concern

Apart from the continued support of the branches, the CPSU Federal Fund's ability to continue as a going concern is not reliant on any particular financial support from another reporting unit.

(ii) Financial Support

No financial support has been provided to another reporting unit to ensure that it continues as a going concern.

(iii) Acquisition of assets and liability under specific sections:

The CPSU did not acquire any asset or a liability during the financial year as a result of:

- an amalgamation under part 2 of Chapter 3, of the RO Act;
- a restructure of the Branches of the organisation;
- a determination by the General Manager under s245(1) of the RO Act;
- a revocation by the General Manager under s249(1) of the RO Act;

(iv) Acquisition of assets and liability as part of a business combination:

If assets and liabilities were acquired during the financial year as part of a business combination, the requirement of the Australian Accounting Standards will be complied with. No such acquisition has occurred during the financial year.

21: Wage recovery activities

All wage recovery activity has resulted in payments being made directly to members by employers. The CPSU has not derived any revenue in respect of these activities.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

22: Related party transactions

(a) The following persons have held office in the CPSU at any time during or since the end of the financial year are:

Federal Council

<i>Name</i>	<i>Position</i>
D. Carey	Federal Secretary (resigned 28 November 2012)
K. Batt	Federal Secretary (elected 28 November 2012)
J. Cahill	Federal President
A. Scott	Federal Vice President - QLD (resigned 30 Aug 2012)
K. Batt	Federal Vice President- VIC
J. McMahon	Federal Vice President - SA
T. Lynch	Federal Vice President - TAS
T. Walkington	Federal Vice President - WA
J Cahill	Federal Vice President - NSW
B. Webb	New South Wales Branch Delegate
S. Walsh	New South Wales Branch Delegate
A. Harris	New South Wales Branch Delegate
S. O'Brien	New South Wales Branch Delegate
G. Delprado	New South Wales Branch Delegate
R. Drummond	New South Wales Branch Delegate
C. Wetherall	New South Wales Branch Delegate
L. Parissi	New South Wales Branch Delegate
S. Turner	New South Wales Branch Delegate
R. Davis	New South Wales Branch Delegate
A. Scott	Queensland Branch Delegate (resigned 30 Aug 2012)
V. Doogan	Queensland Branch Delegate (resigned 29 Aug 2012)
P. Devey	Queensland Branch Delegate (resigned 3 Aug 2012)
P Cattach	Queensland Branch Delegate (resigned 3 Aug 2012)
R Miles	Queensland Branch Delegate (resigned 3 Aug 2012)
K Flanders	Queensland Branch Delegate (resigned 3 Aug 2012)
J Hunt	Queensland Branch Delegate (resigned 3 Aug 2012)
P O'Driscoll	Queensland Branch Delegate (resigned 3 Aug 2012)
K. Batt	Victoria Branch Delegate
C. Davies	Victoria Branch Delegate
P. Lillywhite	Victoria Branch Delegate
J. Walton	Victoria Branch Delegate
M. Nestor	Victoria Branch Delegate
J. McMahon	South Australia Branch Delegate
L. Hughes	South Australia Branch Delegate
L. Oxlad	South Australia Branch Delegate
M. Warner	South Australia Branch Delegate
N. Kitchin	South Australia Branch Delegate
T. Walkington	Western Australia Branch Delegate
J. Gaines	Western Australia Branch Delegate
M. Cohen	Western Australia Branch Delegate

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

22: Related party transactions (Continued)

Federal Council (Continued)

<i>Name</i>	<i>Position</i>
D. Henden	Western Australia Branch Delegate
G Richards	Western Australia Branch Delegate
T. Lynch	Tasmania Branch Delegate
L. Jones	Tasmania Branch Delegate
M. Johnston	Tasmania Branch Delegate
G Ransley	Tasmania Branch Delegate

Federal Executive

<i>Name</i>	<i>Position</i>
D. Carey	Federal Secretary (resigned 28 November 2012)
K. Batt	Federal Secretary (elected 28 November 2012)
J. Cahill	Federal President
	Federal Vice President - NSW
A. Scott	Senior Federal Vice President – QLD (resigned 30 Aug 2012)
K. Batt	Federal Vice President – VIC
J. McMahon	Federal Vice President – SA
T. Walkington	Federal Vice President - WA
T. Lynch	Federal Vice President - TAS
V. Doogan	QLD Branch Delegate (resigned 29 Aug 2012)
J. Gaines	WA Branch Delegate
P. Lillywhite	Victorian Branch Delegate
L. Oxlad	SA Branch Delegate
S. Walsh	NSW Branch Delegate
G Ransley	Tasmanian Branch Delegate

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2013

22: Related party transactions (Continued)

	2013	2012
	\$	\$
(b) Key management personnel compensation		
<i>Short-term employee benefits</i>		
Salary (including annual leave taken)	63,812	204,481
Annual leave accrued	5,678	13,818
Total short-term employee benefits	<u>69,490</u>	<u>218,299</u>
Post-employment benefits:		
Superannuation	32,262	57,495
Total post-employment benefits	<u>32,262</u>	<u>57,495</u>
Other long-term benefits:		
Long-service leave accrued	1,845	4,490
Total other long-term benefits	<u>1,845</u>	<u>4,490</u>
Termination benefits	<u>-</u>	<u>-</u>
Total	<u>103,597</u>	<u>280,284</u>

(c) Other transactions

There were no transactions between the officers of the CPSU other than those relating to reimbursement by the CPSU in respect of expenses incurred by them in the performance of their duties. Such transactions have been on conditions no more favourable than those which is reasonable to expect would have been adopted by parties at arm's length.

(d) Loans to key management personnel

There are no loans between key management personnel and the CPSU.

(e) Transactions with related parties

	2013	2012
	\$	\$
<i>Purchases of goods and services:</i>		
Rent paid to PSA of NSW	70,663	85,144
<i>Superannuation contributions</i>		
Superannuation contributions on behalf of employees	149,428	188,443

COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

22: Related party transactions (Continued)

(f) Outstanding balances arising from sales and purchases of goods and services:

These balances are disclosed in the "Trade receivables" and "Trade payables" notes to the accounts.

Apart from the \$840,000 provision for impairment provision against the Queensland Branch from capitation fees due, no further provision for impairment has been raised in relation to any of these outstanding balances and no expense has been recognised in respect of bad or doubtful debts due from related parties.

23: Cash flow information

(a) Reconciliation of cash flow from operations with the (deficit) for the year

	2013 \$	2012 \$
(Deficit) for the year	(166,874)	(602,737)
<i>Non-cash flows in (deficit)</i>		
Depreciation	26,934	41,386
Loss on disposal of fixed assets	900	-
Write back of liabilities	(21,749)	-
Provision for impairment	420,000	420,000
<i>Changes in assets and liabilities</i>		
(Increase) in trade and other receivables	(318,267)	(483,941)
(Decrease) Increase in payables	(118,761)	221,351
(Decrease) Increase in provisions	(304,857)	114,685
Cash flows from operations	<u>(482,674)</u>	<u>(289,256)</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

24: Financial risk management

The entity's activities expose it to a variety of financial risks: market risk (including fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk. The entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the entity. The entity uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, other price risks and aging analysis for credit risk.

Risk management is carried out by management under policies approved by Federal Executive. The Federal Executive identifies, evaluates and hedges financial risks as part of regular meetings. This identification and analysis includes an analysis of interest rate exposure and the evaluation of strategies in the context of most recent economic conditions.

(a) Market risk

(i) Foreign exchange risk

The entity is not exposed to foreign exchange risk.

(ii) Price risk

The entity is not exposed to foreign exchange risk.

(iii) Cash flow and fair value interest rate risk

The CPSU has no borrowings and is therefore not exposed to interest rate risk on liabilities. It has investments in a variety of interest-bearing assets and its income and operating cash flows are exposed to changes in market interest rates for assets.

Sensitivity analysis

As at 30 June 2013 the effect on the surplus as a result of changes in interest rates, with all other variables remaining constant, would be as follows:

	2013	2012
<i>Effect on results:</i>	\$	\$
Increase of interest rates by 2%	1,301	1,830
Decrease of interest rates by 2%	(1,301)	(1,830)

(b) Credit risk

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions. Cash transactions are limited to high credit quality financial institutions. Currently the investments are held in Australian banks. The CPSU has no significant concentrations of credit risk.

The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets. The credit quality of financial assets can be assessed by reference to external credit ratings as follows:

	2013	2012
	\$	\$
Cash at bank		
<i>AA Rating</i>	45,065	529,749
Term deposits		
<i>AA Rating</i>	1,200,000	1,200,000

COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

24: Financial risk management (Continued)

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close-out market positions.

Maturity profile of financial instruments

The maturity profile of financial assets and liabilities held are detailed below:

2013	Weighted Average Interest rate %	Floating Interest rate \$	1 year or less \$	1 to 2 years \$	2 to 5 years \$	Over 5 years \$	Non Interest bearing \$	Total \$
Financial Assets								
Cash on hand		-	-	-	-	-	-	-
Cash at bank	1.0	45,065	-	-	-	-	-	45,065
Deposits at bank	4.52	-	1,200,000	-	-	-	-	1,200,000
Other receivables		-	-	-	-	-	138,986	138,986
		<u>45,065</u>	<u>1,200,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>138,986</u>	<u>1,384,051</u>
Financial Liabilities								
Other payables		-	-	-	-	-	181,228	181,228
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>181,228</u>	<u>181,228</u>
Net Financial Assets (Liabilities)		<u>45,065</u>	<u>1,200,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(42,242)</u>	<u>1,202,823</u>
2012								
	Weighted Average Interest rate %	Floating Interest rate \$	1 year or less \$	1 to 2 years \$	2 to 5 years \$	Over 5 years \$	Non Interest bearing \$	Total \$
Financial Assets								
Cash on hand		-	-	-	-	-	300	300
Cash at bank	1.0	529,749	-	-	-	-	-	529,749
Deposits at bank	5.25	-	1,200,000	-	-	-	-	1,200,000
Other receivables		-	-	-	-	-	170,995	170,995
		<u>529,749</u>	<u>1,200,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>171,295</u>	<u>1,901,044</u>
Financial Liabilities								
Other payables		-	-	-	-	-	321,738	321,738
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>321,738</u>	<u>321,738</u>
Net Financial Assets (Liabilities)		<u>529,749</u>	<u>1,200,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(150,443)</u>	<u>1,579,306</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

24: Financial risk management (Continued)

(d) Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

AASB 7 Financial Instruments: Disclosures requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- (a) quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)
- (b) inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (level 2), and
- (c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature.

The CPSU does not have any financial instruments included in Level 1, Level 2 and level 3.

COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND
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COMMITTEE OF MANAGEMENT STATEMENT

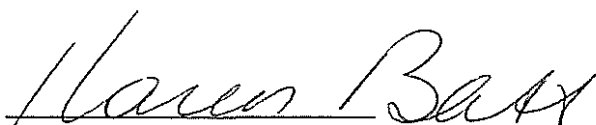
On 17 September 2013 the Committee of Management of the Community and Public Sector Union SPSF Group - Federal Fund passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the year ended 30 June 2013:

The Committee of Management declares that in its opinion;

1. the financial statements and notes comply with Australian Accounting Standards;
2. the financial statements and notes comply with the reporting guidelines of the General Manager;
3. 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;
4. 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; and
5. during the financial year to which the GPFR relates and since the end of that year:
 - a. meetings of the Committee of Management were held in accordance with the rules of the organisation including the rules of branches concerned; and
 - b. 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
 - c. the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
 - d. 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
 - e. where information has been sought in any request by a member of the reporting unit or General Manager duly made under section 272 of the RO Act, that information has been provided to the member or General Manager; and
 - f. 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.
6. All wage recovery activity has resulted in payments being made directly to members by employers. The reporting unit has not derived any revenue in respect of these activities.

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

Signature of designated officer



Name of designated officer: Karen Batt

Position held: Federal Secretary

Dated this

17th September 2013

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND

Report on the financial report

We have audited the accompanying general purpose financial report of the Community and Public Sector Union SPSF Group - Federal Fund, which comprises the balance sheet as at 30 June 2013, the statement of comprehensive income, statement of changes in funds and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the Committee of Management Statement.

Committee of Management 's responsibility for the financial report

The Committee of Management is responsible for the preparation of the financial report in accordance with Australian Accounting Standards and Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* and for such internal control as the Committee of Management determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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. Those 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 judgment, 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 of the financial report that gives a true and fair view 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 Committee of Management, as well as evaluating the overall presentation of the financial report.

Our audit did not involve an analysis of the prudence of business decisions made by the Committee of Management.

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND (Continued)****Independence**

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Emphasis of matter

Without modifying our opinion, we would like to draw attention to Note 17 of financial report relating to an unresolved matter concerning a potential claim regarding a superannuation liability. The impact on the financial report cannot be reliably determined at this point in time.

Opinion

In our opinion:

- (1) the general purpose financial report of Community and Public Sector Union SPSF Group - Federal Fund presents fairly, in all material respects, the financial position of Community and Public Sector Union SPSF Group - Federal Fund as at 30 June 2013 and the results of its operations, its changes in equity and cash flows for the year then ended, in accordance with any of the following that apply to the entity:
 - a) the Australian Accounting Standards; and
 - b) any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009*.
- (2) the Committee of Management's use of the going concern basis of accounting in the preparation of the entity's financial statements is appropriate



BGL Partners
Chartered Accountants



I A Hinds - CA – Partner

Approved Auditor

Member of The Institute of Chartered Accountants in Australia and
Holder of current Public Practice Certificate

17 September 2013
Melbourne

