



Australian Government
Australian Industrial Registry

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Ms Karen Batt
Secretary
CPSU, the Community and Public Sector Union
SPSF Group, Victorian Branch
c/o Victorian Trades Hall
54 Victoria Street
CARLTON SOUTH VIC 3053

Dear Ms Batt,

By email: enquiry@cpsuvic.org

Re: Financial Documents for year ended 30 June 2007 - FR2007/484

Schedule 1 - Workplace Relations Act 1996 (RAO Schedule)

I have received the Financial Report for the Victorian Branch of the SPSF Group of the CPSU, the Community and Public Sector Union for the year ended 30 June 2007. The documents were lodged on 27 December 2007.

The report has been filed. However the following improvements should be made in future financial years:

Expenditure items to be separately disclosed

An organisation is required to *separately disclose* a wide range of expenditure items in the main body of the accounts – these include:

- Affiliation Fees or Subscriptions to political parties or industrial bodies
- Conferences - fees/allowance for attendance
- Conference Expenses
- Capitation fees/membership subscriptions

In future years please ensure that each of these items are disclosed separately rather than conflated (for e.g. a conflated item such as "Affiliation and capitation fee" does not comply with the RAO Schedule). For more information on this point see the Industrial Registrar's Reporting Guidelines at http://www.airc.gov.au/registered/rao/rao_253.pdf.

Operating Report – superannuation trustees

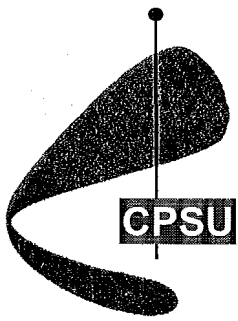
The Operating Report must state whether any *member* of the branch is a trustee of a superannuation entity (not just whether any officer is a trustee of such an entity). If no officer and/or member is such a trustee the Operating Report should include a comment to this effect – see s254(2)(d) of the RAO Schedule.

If you have any queries regarding the above please contact me on (03) 8661 7990.

Yours faithfully,

Andrew Schultz
Statutory Services Branch

26 February 2008



FR 2007/484

Community and Public Sector Union

SPSF Group • Victorian Branch

20 December 2007

Australian Industrial Registry
Statutory Services Branch
Level 5
11 Exhibition Street
MELBOURNE



By Courier

Dear Sir / Madam

Re: CPSU (SPSF Group, Victorian Branch) 2006 / 2007 Financial Report

Please find attached the Financial Report for the year ended 30 June 2007 for the CPSU (SPSF Group Victorian Branch) as required under section 268 of the RAO Schedule.

If you require any further information please contact Liz Howlett on 03 9639 1822.

Yours faithfully

Karen Batt
Branch Secretary

Certificate of Secretary or Other Authorised Officer
Section 268 of Schedule 1 of the Workplace Relations Act 1996

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

- that the documents lodged herewith are copies of the full report referred to in section 268 of the RAO Schedule; and
- that these documents were presented to a Committee of Management meeting on 24 September 2007; and
- that members were advised on 11 December 2007 that the audited concise financial report and operating report had been published on the reporting unit's web site, www.cpsuvic.org on 30 November 2007; and
- that an operating report would be provided to all members in the December 2007 edition of Public Perspective; and
- that a full report was presented to a Committee of Management meeting of the reporting unit on 10 December 2007 in accordance with section 266 (3) of the RAO Schedule.

Signature:



Signed At:

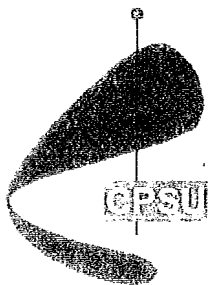
Carlton South

Date:

20th December 2007

**COMMUNITY AND PUBLIC SECTOR UNION SPSF GROUP VICTORIAN BRANCH
ABN 38 968 067 748**

**FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2007**



Community and Public Sector Union
SPSF Group • Victorian Branch

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

The Community and Public Sector Union SPSF Group Victorian Branch is a registered body under the Workplace Relations Act 1996.

The principal place of business is:
Community and Public Sector Union SPSF Group Victorian Branch
Level 5, New Building, Trades Hall
54 Victoria Street
CARLTON SOUTH VIC 3053

The financial report was authorised for issue by the committee of management on 2nd day of October 2007.

COMMUNITY AND PUBLIC SECTOR UNION SPSF GROUP VICTORIAN BRANCH
ABN 38 968 067 748

OPERATING REPORT

Your Committee of Management present their report on the Community and Public Sector Union SPSF Group Victorian Branch (the Branch) for the financial year ended 30 June 2007.

Members of Executive

The names of the Committee of Management in office at any time during or since the end of the financial year are:

Branch Executive

Karen Batt	Jim Walton
Kelvin Goodall	Judy Mead

Peter Lilywhite

Branch Councillor

Michael Tiliacos	Pierre Rispoli
Chris Naqvi (resigned on 26 March 2007)	Christine Hughes
Mary Roose	Deidre Carlile
Mary Sullivan	Rosalia Bruzzese
Greg Baker (appointed on 2 October 2006)	Andrew Liston
Richard Wadsworth	Pushi Brown
Cheryl Douglas (resigned on 28 May 2007)	Roy Burns (resigned on 28 May 2007)
Anthony McAleer (appointed on 2 October 2006)	Ron Dean
Elizabeth Free	Gavan Cook
Catherine Davies	Alan Gee (resigned in November 2006)
Helen Fatouros	Lydia Spicer
Michael Donohoe	David Nugara
Christine Mitchell	Alan Woodroffe
Stephen McNair (appointed on 27 November 2006)	Rod Spence
Bill Lyons	Mark Nestor
Steve Walsh	Peter Kershaw
Susan Taylor	Jenny Leishman
Paul Coghlan	Ronald Kennelly
Greg Olsen (appointed on 26 March 2007)	Ian Thomas
Christopher Perry	

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

Operating Results

The surplus for the financial year amounted to \$464,976 (30 June 2006 : surplus of \$196,871).

Review of Operations

A review of the operations of the Branch during the financial year and the results of those operations found that during the year. The Branch continued to engage in its principal activity, the results of which are disclosed in the financial statements.

Significant Changes in State of Affairs

No significant changes in the state of affairs of the Branch occurred during the financial year.

OPERATING REPORT (Continued)

Principal Activities

The principal activities of the Branch during the financial year were promoting union activities within the Victorian state public services sector.

No significant change in the nature of these activities occurred during the year.

After Balance Date Events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Branch, the results of those operations, or the state of affairs of the Branch in future financial years.

Union details

The number of employees at 30 June 2007 was 46 (2006: 51)

The number of financial members, inclusive of the Retired Officers Division at 30 June 2007 was 13,183 (2006: 13,512).

Right of members to resign

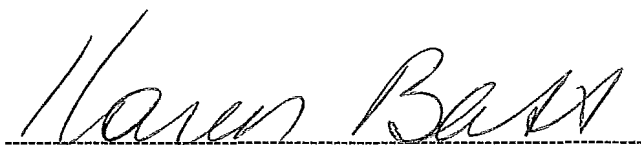
A member may resign from membership of the Union by notice in writing, addressed to the Branch Secretary, if the member cease to be eligible to become a member of the Union or the member give notice not less than two weeks before the resignation is to take effect.

Superannuation Trustees

To the best of our knowledge and belief, no officer of the organisation, by virtue of their office of the Community and Public Sector Union SPSF Group Victorian Branch is:

- (i) a trustee of a superannuation entity or exempt public sector superannuation scheme; or
- (ii) a director of a company that is the trustee of a superannuation entity or an exempt public sector superannuation scheme; and
- (iii) where a criterion for the officer being the trustee or director is that the officer is an officer of a registered organisation.

Signed in accordance with a resolution of the Branch Council:



Branch Secretary - Karen Batt

Dated this 2ND day of OCTOBER 2007

COMMUNITY AND PUBLIC SECTOR UNION SPSF GROUP VICTORIAN BRANCH
 ABN 38 968 067 748

INCOME STATEMENT
 FOR THE YEAR ENDED 30 JUNE 2007

	Note	2007 \$	2006 \$
Revenue from continuing operations	5	<u>5,112,948</u>	<u>4,973,357</u>
Administrative expenses		(218,281)	(178,218)
Salaries and related expenses	7	(3,223,969)	(3,401,490)
Office operation and maintenance		(216,637)	(219,098)
Motor vehicle expenses		(90,201)	(69,947)
Communications		(186,183)	(176,338)
Professional fees		(23,626)	(82,891)
Library		(6,485)	(9,619)
Meetings		(82,841)	(84,373)
Printing and publications		(193,432)	(197,746)
Affiliation and capitation fee		(334,082)	(274,756)
Computer/IT		(20,662)	(16,977)
Training and campaigns		<u>(51,573)</u>	<u>(65,033)</u>
		<u>(4,647,972)</u>	<u>(4,776,486)</u>
Surplus for the year	6	<u>464,976</u>	<u>196,871</u>
Surplus attributable to members of the entity		<u>464,976</u>	<u>196,871</u>

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

COMMUNITY AND PUBLIC SECTOR UNION SPSF GROUP VICTORIAN BRANCH
 ABN 38 968 067 748

BALANCE SHEET
 AS AT 30 JUNE 2007

	Note	2007 \$	2006 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	9	1,181,102	968,230
Trade and other receivables	10	106,133	90,561
Inventories	11	-	17,350
TOTAL CURRENT ASSETS		<u>1,287,235</u>	<u>1,076,141</u>
NON-CURRENT ASSETS			
Property, plant and equipment	12	<u>549,457</u>	<u>557,687</u>
TOTAL NON-CURRENT ASSETS		<u>549,457</u>	<u>557,687</u>
TOTAL ASSETS		<u>1,836,692</u>	<u>1,633,828</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	13	304,647	463,479
Borrowings	14	14,503	32,138
Provisions	15	<u>544,368</u>	<u>619,987</u>
TOTAL CURRENT LIABILITIES		<u>863,518</u>	<u>1,115,604</u>
NON-CURRENT LIABILITIES			
Borrowings	14	-	14,503
Provisions	15	<u>56,234</u>	<u>51,797</u>
TOTAL NON-CURRENT LIABILITIES		<u>56,234</u>	<u>66,300</u>
TOTAL LIABILITIES		<u>919,752</u>	<u>1,181,904</u>
NET ASSETS		<u>916,940</u>	<u>451,924</u>
MEMBERS' FUND			
Accumulated surplus	16	<u>916,940</u>	<u>451,964</u>
TOTAL MEMBERS' FUND		<u>916,940</u>	<u>451,964</u>

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

STATEMENT OF RECOGNISED INCOME AND EXPENSE
FOR THE YEAR ENDED 30 JUNE 2007

	Accumulated surplus	Reserves	Total
	\$	\$	\$
Balance at 1 July 2005	255,093	-	255,093
Surplus for the year	<u>196,871</u>	<u>-</u>	<u>196,871</u>
Balance at 30 June 2006	<u>451,964</u>	<u>-</u>	<u>451,964</u>
Balance at 1 July 2006	451,964	-	451,964
Surplus for the year	<u>464,976</u>	<u>-</u>	<u>464,976</u>
Balance at 30 June 2007	<u><u>916,940</u></u>	<u><u>-</u></u>	<u><u>916,940</u></u>

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

CASH FLOW STATEMENT
 FOR THE YEAR ENDED 30 JUNE 2007

	Note	2007 \$	2006 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from operations (inclusive of GST)		5,500,640	5,208,257
Sundry receipts		53,519	143,444
Grant received		11,000	82,500
Payments to suppliers and employees (Inclusive of GST)		(5,262,015)	(4,829,991)
Payments to Federal Office		-	(187,168)
Interest received		<u>56,134</u>	<u>40,738</u>
Net cash inflow from operating activities	20	<u>359,278</u>	<u>457,780</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		44,182	23,680
Payment for property, plant and equipment		<u>(158,450)</u>	<u>(175,241)</u>
Net cash (outflow) from investing activities		<u>(114,268)</u>	<u>(151,561)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of hire purchase liability		(32,138)	(74,743)
Repayment of borrowings		<u>-</u>	<u>(24,087)</u>
Net cash (outflow) financing activities		<u>(32,138)</u>	<u>(98,830)</u>
Net increase/(decrease) in cash and cash equivalents		212,872	207,389
Cash and cash equivalents at beginning of financial year		<u>968,230</u>	<u>760,841</u>
Cash and cash equivalents at end of financial year	9(a)	<u>1,181,102</u>	<u>968,230</u>

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007

NOTE 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 Victorian Branch (The Branch).

(a) Basis of Preparation

This general purpose financial report has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Australian Accounting Interpretations and the requirements of The Workplace Relations Act 1996.

Compliance with IFRS

Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial statements and notes comply with International Financial Reporting Standards (IFRS). A statement of full compliance with IFRS cannot be made due to the branch applying the not for profit sector requirements contained in AIFRS.

Early adoption of standards

The Branch has elected to apply the following pronouncement to the annual reporting period beginning 1 July 2006:

- revised AASB 101 Presentation of Financial Statements (issued October 2006)

This includes applying the pronouncements to the comparatives in accordance with AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*. No adjustments to any of the financial statements were required for the above pronouncement, but certain disclosures are no longer required and have been omitted.

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 in conformity with AIFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying The Branch's accounting policies.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007

(b) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties. Revenue is recognised to the extent that it is probable that the economic benefits will flow to The Branch and that it can be reliably measured.

Revenue is recognised for the major operating activities as follows:

Membership subscriptions

Membership subscription revenue is recognised only when received, rather than on an accruals basis due to the uncertainty of receipts from members.

Interest income

Interest income is recognised on a time proportion basis using the effective interest method. When a receivable is impaired, the Branch 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 Branch is exempt from income tax.

(d) Cash and cash equivalents

For cash flow statement 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.

(e) Trade and other payables

These amounts represent liabilities for goods and services provided to the Union 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 2007

(f) Goods and services 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.

(g) Financial assets

Classification

The Branch classifies its financial assets 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 assets were acquired. Management determines the classification of its assets at initial recognition and re-evaluates this designation at each reporting date.

The Branch does not hold any assets in the following categories: financial assets at fair value through profit or loss, available-for-sale financial assets and held-to-maturity investments.

(i) 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 Branch 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 Branch 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 Branch establishes fair value by using valuation techniques. These include reference to the 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007

Impairment

The Branch 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.

(h) Fair value estimation

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

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 Branch for similar financial instruments.

(i) 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 Branch commencing from the time the asset is held ready for use.

Class of fixed asset	Depreciation rate/useful lives	Depreciation basis
Leasehold improvement	2.5%	Straight Line
Motor vehicles	18.75%	Diminishing Value
Office equipment	7.5 - 50%	Diminishing Value
Furniture and Fittings	7.5 - 15%	Diminishing Value
Computer equipment	37.5-50%	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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007

(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 other payables 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) Comparative figures

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

(l) New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2007 reporting periods. The Branch's assessment of the impact of these new standards and interpretations is set out below:

(i) AASB 7 Financial Instruments: Disclosures and AASB 2005-10 Amendments to Australian Accounting Standards [AASB 132, AASB 101, AASB 114, AASB 117, AASB 133, AASB 139, AASB 1, AASB 4, AASB 1023 & AASB 1038] AASB 7 and AASB 2005-10 are applicable to annual reporting periods beginning on or after 1 January 2007. The Branch has not adopted the standards early. Application of the standards will not affect any of the amounts recognised in the financial statements, but will impact the type of information disclosed in relation to The Branch's financial instruments.

(ii) AASB-I 10 Interim Financial Reporting and Impairment

AASB-I 10 is applicable to reporting periods commencing on or after 1 November 2006. This standard is not applicable to The Branch.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007

NOTE 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 Branch and that are believed to be reasonable under the circumstances.

(a) Critical accounting estimates and assumptions

The Branch makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. None of the estimates and assumptions are expected to have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

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

No critical judgements have been made in applying the branch's accounting policies.

NOTE 3: INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of the Workplace Relations Act 1996, the attention of members is drawn to the provisions of subsection (1), (2) and (3) of section 272 which read as follows:

- (1) a member of a reporting unit, or a Registrar, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (2) the application must be made 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).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007

NOTE 4: FINANCIAL RISK MANAGEMENT

The Branch'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 Branch overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of The Branch.

Risk management is carried out by the Executive under policies approved by Committee of Management. The Executive identify, 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.

The financial instruments of The Branch consist mainly of deposits with banks, short term investments, accounts payable and receivable.

(a) Market risk

(i) Price risk

Market risk for The Branch is mainly price risk. Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or to factors affecting all instruments traded in the market.

The Branch is not exposed to commodity price risk.

(ii) Foreign exchange risk

The Branch is not exposed to foreign exchange risk.

(iii) Fair value interest rate risk

Refer to (d) below.

(b) Credit risk

The maximum exposure to credit risk at balance date to recognised financial assets is the carrying amount of those assets as disclosed in the balance sheet and notes to the financial statements.

The Branch has no significant concentrations of credit risk. Cash transactions are limited to high credit quality financial institutions.

(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.

(d) Cash flow and fair value interest rate risk

The Branch's income and operating cash flows are not materially exposed to changes in market interest rates.

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2007

NOTE 5: REVENUE

	2007	2006
	\$	\$
From continuing operations		
<i>Service revenue</i>		
Membership subscriptions	<u>4,996,187</u>	<u>4,809,779</u>
	<u>4,996,187</u>	<u>4,809,779</u>
<i>Other revenue</i>		
- interest	56,134	40,738
- income from Federal Office	3,000	-
- VWA Grant	10,000	75,000
- training income	38,865	39,945
- other revenue	<u>8,762</u>	<u>7,895</u>
	<u>5,112,948</u>	<u>4,973,357</u>

NOTE 6: SURPLUS FOR THE YEAR

	2007	2006
	\$	\$
The surplus for the year includes the following specific expenses:		
<i>Depreciation of non-current assets</i>		
- Motor vehicles	40,004	31,971
- Other capital assets	<u>30,887</u>	<u>24,524</u>
	<u>70,891</u>	<u>56,495</u>
<i>Amortisation</i>		
- leasehold improvements	30,933	22,864
<i>Finance costs</i>		
Interest paid	-	905
Lease finance charges	<u>3,424</u>	<u>8,878</u>
	<u>3,424</u>	<u>9,783</u>
<i>Rental expenses relating to operating leases</i>		
Minimum lease payments	<u>120,547</u>	<u>117,263</u>
Total	<u>120,547</u>	<u>117,263</u>
<i>Net loss on disposal of property, plant and equipment</i>	20,673	7,578
Legal fee	9,096	69,356
Donations	-	5,190

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2007

NOTE 7: SALARIES AND RELATED EXPENSES

	2007	2006
	\$	\$
Employee benefit - officers (elected)	220,927	225,736
Employee benefit - staff	2,719,030	2,831,464
Other staff costs	<u>284,012</u>	<u>344,290</u>
	<u>3,223,969</u>	<u>3,401,490</u>

NOTE 8: AUDITORS' REMUNERATION

	2007	2006
	\$	\$
During the year the following fees were paid or payable for services provided by the auditor and its related practices:		
Audit or review of the financial report	10,100	9,250
Other audits	<u>1,580</u>	<u>935</u>
	<u>11,680</u>	<u>10,185</u>

NOTE 9: CASH AND CASH EQUIVALENTS

		2007	2006
		\$	\$
Cash on hand	(b)	3,063	3,063
Cash at bank	(c)	852,090	757,038
Term deposits	(d)	<u>325,949</u>	<u>208,129</u>
		<u>1,181,102</u>	<u>968,230</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>1,181,102</u>	<u>968,230</u>
Balances per cash flow statement	<u>1,181,102</u>	<u>968,230</u>

(b) Cash on hand

These balances are non-interest bearing.

(c) Cash at bank

These balances have floating interest rates between 0.5 % to 6.25% (2006: 0.00% and 5.75%).

(d) Term Deposit

These bear fixed interest rates between 6.10% and 6.36%. (2006: 6.00%)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007

NOTE 10: TRADE AND OTHER RECEIVABLES

	2007	2006
	\$	\$
CURRENT		
Prepayments	72,110	39,424
Other receivables (a)	12,210	10,691
Net GST	1,169	20,050
Affiliated branches and funds	<u>20,644</u>	<u>20,396</u>
	<u>106,133</u>	<u>90,561</u>

(a) Other receivables

These amounts generally arise from transactions outside the usual operating activities of The Branch. Interest may be charged at commercial rates where the terms of repayment exceed six months. Collateral is not normally obtained.

(b) Interest rate risk

All trade and other receivables are non-interest bearing.

(c) Credit risk

There is no concentration of credit risk with respect to current and non-current receivables, Refer to note 3 for more information on the risk management policy of The Branch.

NOTE 11: INVENTORIES

	2007	2006
	\$	\$
CURRENT		
Inventories held for distribution	<u>-</u>	<u>17,350</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007

NOTE 12: PROPERTY, PLANT AND EQUIPMENT

	2007	2006
	\$	\$
LEASEHOLD IMPROVEMENTS		
At cost	463,656	463,656
Less accumulated amortisation	<u>(241,063)</u>	<u>(210,130)</u>
Total leasehold improvements at cost	<u>222,593</u>	<u>253,526</u>
PLANT AND EQUIPMENT		
Motor vehicles		
At cost	247,261	251,960
Less accumulated depreciation	<u>(46,707)</u>	<u>(72,069)</u>
	<u>200,554</u>	<u>179,891</u>
Office equipment		
At cost	60,300	60,300
Less accumulated depreciation	<u>(14,771)</u>	<u>(9,457)</u>
	<u>45,529</u>	<u>50,843</u>
Computer equipment and software		
At cost	131,013	99,931
Less accumulated depreciation	<u>(90,910)</u>	<u>(71,077)</u>
	<u>40,103</u>	<u>28,854</u>
Furniture, fixtures and fittings		
At cost	75,109	73,264
Less accumulated depreciation	<u>(34,431)</u>	<u>(28,691)</u>
	<u>40,678</u>	<u>44,573</u>
Total property, plant and equipment	<u>549,457</u>	<u>557,687</u>

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2007

NOTE 12: PROPERTY, PLANT AND EQUIPMENT (Continued)

(a) 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.

2006	Leasehold improvements	Motor vehicles	Office equipment	Furniture, fittings and fixtures	Computer equipment	Total
	\$	\$	\$	\$	\$	\$
Opening net book amount	229,348	151,737	40,158	46,494	25,326	493,063
Additions	47,042	87,332	18,195	4,019	18,653	175,241
Disposals	-	(27,207)	(2,455)	(131)	(1,465)	(31,258)
Depreciation	<u>(22,864)</u>	<u>(31,971)</u>	<u>(5,055)</u>	<u>(5,809)</u>	<u>(13,660)</u>	<u>(79,359)</u>
Closing net book amount	<u>253,526</u>	<u>179,891</u>	<u>50,843</u>	<u>44,573</u>	<u>28,854</u>	<u>557,687</u>

2007	Leasehold improvements	Motor vehicles	Office equipment	Furniture, fittings and fixtures	Computer equipment	Total
	\$	\$	\$	\$	\$	\$
Opening net book amount	253,526	179,891	50,843	44,573	28,854	557,687
Additions	-	125,523	-	1,845	31,082	158,450
Disposals	-	(64,856)	-	-	-	(64,856)
Depreciation	<u>(30,933)</u>	<u>(40,004)</u>	<u>(5,314)</u>	<u>(5,740)</u>	<u>(19,833)</u>	<u>(101,824)</u>
Closing net book amount	<u>222,593</u>	<u>200,554</u>	<u>45,529</u>	<u>40,678</u>	<u>40,103</u>	<u>549,457</u>

NOTE 13: TRADE AND OTHER PAYABLES

	2007	2006
	\$	\$
CURRENT		
<i>Unsecured</i>		
Trade creditors	258,270	402,982
Legal fee payable	-	15,147
Amounts payable to:		
- affiliated branches and funds	41,332	41,084
Other payables	<u>5,045</u>	<u>4,266</u>
	<u>304,647</u>	<u>463,479</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007

NOTE 14: BORROWINGS

	2007	2006
	\$	\$
CURRENT		
Secured liabilities		
Hire purchase liability	<u>14,503</u>	<u>32,138</u>
NON-CURRENT		
Secured liabilities		
Hire purchase liability	<u>-</u>	<u>14,503</u>
(a) Secured liabilities		
The total secured liabilities (current and non-current) are as follows:		
Lease liabilities	<u>14,503</u>	<u>46,641</u>
Total secured liabilities	<u>14,503</u>	<u>46,641</u>

(b) Assets pledged as security

Lease liabilities are effectively secured as the rights to the leased assets recognised in the financial statements revert to the lessor in the event of default.

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2007

NOTE 14: BORROWINGS (Continued)

(c) Interest rate risk exposures

The following table sets out the Branch's exposure to interest rate risk, including the contractual repricing dates and the effective weighted average interest rate by maturity periods. Exposures arise predominantly from liabilities bearing variable interest rates as the Branch intends to hold fixed rate liabilities to maturity.

2007	Floating Interest rate \$	1 year or less \$	Fixed interest maturing on				Non Interest bearing \$	Total \$
			Over 1 to 2 years \$	Over 2 to 3 years \$	Over 3 to 4 years \$	Over 4 to 5 years \$		
Lease liabilities	-	14,053	-	-	-	-	-	14,053
	-	-	-	-	-	-	-	-
	-	14,053	-	-	-	-	-	14,053
Weighted average interest rate	-%	7.0%	-%	-%	-%	-%	-%	

2006	Floating Interest rate \$	1 year or less \$	Fixed interest maturing on				Non Interest bearing \$	Total \$
			Over 1 to 2 years \$	Over 2 to 3 years \$	Over 3 to 4 years \$	Over 4 to 5 years \$		
Lease liabilities	-	32,138	14,503	-	-	-	-	46,641
	-	32,138	14,503	-	-	-	-	46,641
Weighted average interest rate	-%	7.0%	7.0%	-%	-%	-%	-%	

(d) Fair values

The fair values and carrying values of borrowings of the Branch are as follows:

	2007 Carrying amount \$	2007 Fair value \$	2006 Carrying amount \$	2006 Fair value \$
On-balance sheet				
<i>Non-traded securities</i>				
Lease liabilities	14,503	14,503	46,641	46,641
	14,503	14,503	46,641	46,641

On-balance sheet:

The fair value of borrowings is based upon market prices where a market exists or by discounting the expected future cash flows by the current interest rates for liabilities with similar risk profiles.

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2007

NOTE 15: PROVISIONS

	2007	2006
	\$	\$
CURRENT		
Employee benefits - staff	413,013	475,519
Employee benefits - officer (elected)	<u>131,355</u>	<u>144,468</u>
	<u>544,368</u>	<u>619,987</u>
NON-CURRENT		
Employee benefits - staff	<u>56,234</u>	<u>51,797</u>
	<u>56,234</u>	<u>51,797</u>

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 has been included in Note 1.

Movements -	Employee benefits	Total
	\$	\$
At 1 July 2005	596,985	596,985
Charged to the income statement	<u>74,799</u>	<u>74,799</u>
At 30 June 2006	<u>671,784</u>	<u>671,784</u>
Charged to the income statement	<u>(71,182)</u>	<u>(71,182)</u>
At 30 June 2007	<u>600,602</u>	<u>600,602</u>

NOTE 16: ACCUMULATED SURPLUS

	2007	2006
	\$	\$
Movements in the accumulated surplus were as follows:		
Balance 1 July	451,964	255,093
Net surplus for the year	<u>464,976</u>	<u>196,871</u>
Balance 30 June	<u>916,940</u>	<u>451,964</u>

NOTE 17: CONTINGENCIES

There are no known contingent assets or liabilities at 30 June 2007.

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2007

NOTE 18: COMMITMENTS

	2007	2006
	\$	\$
(a) Hire purchase commitments		
Payable		
- not later than one year	15,043	35,191
- later than one year and not later than five years	<u>-</u>	<u>15,043</u>
Minimum hire purchase payments	15,043	50,234
Less future finance charges	<u>(540)</u>	<u>(3,593)</u>
Total hire purchase liability	<u><u>14,503</u></u>	<u><u>46,641</u></u>
Represented by:		
Current liability	14,503	32,138
Non-current liability	<u>-</u>	<u>14,503</u>
	<u><u>14,503</u></u>	<u><u>46,641</u></u>
General description of hire purchase arrangements:		
The arrangements are related to acquisition of motor vehicles		
(b) Operating lease commitments		
Non-cancellable operating leases contracted for but not capitalised in the financial statements:		
Payable		
- not later than one year	185,966	307,138
- later than one year and not later than five years	<u>226,640</u>	<u>411,364</u>
	<u><u>412,606</u></u>	<u><u>718,502</u></u>
General description of leasing arrangement:		
The leases are related to the rental of office equipment and premises.		

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2007

NOTE 19: KEY MANAGEMENT COMPENSATION

	2007	2006
	\$	\$
The aggregate compensation made to key management personnel is as follows:		
<i>Short -term benefits</i>	<u>220,927</u>	<u>225,736</u>

NOTE 20: CASH FLOW INFORMATION

	2007	2006
	\$	\$
Reconciliation of cash flow from operations with Surplus for the year		
Surplus for the year	464,976	196,871
Non-cash flows in surplus		
Amortisation	30,933	22,864
Depreciation	70,891	56,495
Net (gain) / loss on disposal of property, plant and equipment	20,673	7,578
Changes in assets and liabilities		
(Increase)/decrease in receivables	(15,572)	(2,727)
Decrease in inventories	17,350	(17,350)
Increase/(decrease) in payables	(158,791)	119,250
Increase/(decrease) in provisions	<u>(71,182)</u>	<u>74,799</u>
Cash flows from operations	<u>359,278</u>	<u>457,780</u>

NOTE 21: EVENTS SUBSEQUENT TO REPORTING DATE

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 Branch, the results of those activities or the state of affairs of The Branch in the ensuing or any subsequent financial year.

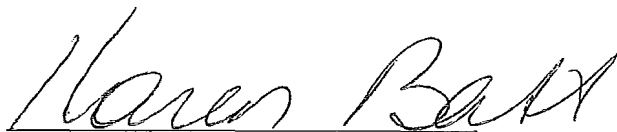
STATEMENT BY COMMITTEE OF MANAGEMENT

On *2nd October 2007* the Committee of Management of the Community and Public Sector Union SPSF Group Victorian Branch passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the year ended 30 June 2007:

The Committee of Management declares in relation to the GPFR that in its opinion:

1. the financial statements and notes, as set out on pages 3 to 23 comply with Australian Accounting Standards and other mandatory professional reporting requirements;
2. the financial statements and notes, as set out on pages 3 to 23 comply with the reporting guidelines of the Industrial Registrar;
3. the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of Community and Public Sector Union SPSF Group Victorian Branch for the financial year to which they relate;
4. there are reasonable grounds to believe that the Branch will be able to pay its debts as and when they become due and payable; and
5. during the financial year to which the general purpose financial report relates and since the end of 30 June 2007:
 - 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 Community and Public Sector Union SPSF Group Victorian Branch have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - c. the financial records of Community and Public Sector Union SPSF Group Victorian Branch have been kept and maintained in accordance with the Registration and Accountability of Organisations (RAO) Schedule and the RAO Regulations; and
 - d. where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation ; and
 - e. the information sought in any request of a member of Community and Public Sector Union SPSF Group Victorian Branch has been furnished and no order have been made under section 272 of the RAO Schedule by the Commission during the period.
 - f. No order have been made by the Commission under section 273 of the RAO Schedule during the period.

For the Committee of Management.



Branch Secretary - Karen Batt

Dated this *2ND* day of *OCTOBER* 2007



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Incorporating BGL & Associates

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITY AND PUBLIC SECTOR UNION SPSF GROUP VICTORIAN BRANCH

Report on the Financial Report

We have audited the accompanying financial report of The Branch which comprises the balance sheet as at 30 June 2007 and the income statement, statement of recognised income and expense and cash flow statement for the year ended 30 June 2007, a summary of significant accounting policies and other explanatory notes and the Statement by Committee of Management.

Branch Committee's Responsibility for the Financial Report

The Branch Committee is responsible for the preparation and fair presentation of the financial report, in accordance with the Australian Accounting Standards (including Australian Accounting Interpretations) and the Workplace Relations Act 1996. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

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

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

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 have complied with the independence requirements of Australian professional ethical pronouncements.





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Incorporating BGL & Associates

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
COMMUNITY AND PUBLIC SECTOR UNION SPSF GROUP VICTORIAN BRANCH (Continued)**

Auditor's Opinion

In our opinion, the financial report of The Branch is presents fairly the financial position of The Branch as at 30 June 2007 and the results of its operations, its changes in equity and cash flows for the financial year then ended, in accordance with any of the following that apply to the entity:

- a) the Australian Accounting Standards; and
- b) the requirements imposed by Part 3 of Chapter 8 of Schedule 1B of the Workplace Relations Act 1996.

BGL + Associates

BGL & Associates
Chartered Accountants

I. A. Hinds

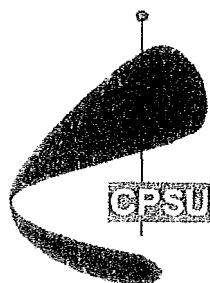
I. A. Hinds - A.C.A.
Partner

2 October 2007
Melbourne



**COMMUNITY AND PUBLIC SECTOR UNION SPSF GROUP VICTORIAN BRANCH
ABN 38 968 067 748**

**CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2007**



Community and Public Sector Union
SPSF Group • Victorian Branch

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Relationship of the concise financial report to the full financial report

The concise financial report is an extract from the full financial report for the year ended 30 June 2007. 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 Victorian Branch 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. This financial report covers Community and Public Sector Union SPSF Group Victorian Branch as an individual entity.

OPERATING REPORT

Your Committee of Management present their report on the Community and Public Sector Union SPSF Group Victorian Branch (the Branch) for the financial year ended 30 June 2007.

Members of Executive

The names of the Committee of Management in office at any time during or since the end of the financial year are:

Branch Executive

Karen Batt	Jim Walton
Kelvin Goodall	Judy Mead

Peter Lilywhite

Branch Councillor

Michael Tiliacos	Pierre Rispoli
Chris Naqvi (resigned on 26 March 2007)	Christine Hughes
Mary Roose	Deidre Carlile
Mary Sullivan	Rosalia Bruzzese
Greg Baker (appointed on 2 October 2006)	Andrew Liston
Richard Wadsworth	Pushi Brown
Cheryl Douglas (resigned on 28 May 2007)	Roy Burns (resigned on 28 May 2007)
Anthony McAleer (appointed on 2 October 2006)	Ron Dean
Elizabeth Free	Gavan Cook
Catherine Davies	Alan Gee (resigned in November 2006)
Helen Fatouros	Lydia Spicer
Michael Donohoe	David Nugara
Christine Mitchell	Alan Woodroffe
Stephen McNair (appointed on 27 November 2006)	Rod Spence
Bill Lyons	Mark Nestor
Steve Walsh	Peter Kershaw
Susan Taylor	Jenny Leishman
Paul Coghlan	Ronald Kennelly
Greg Olsen (appointed on 26 March 2007)	Ian Thomas

Christopher Perry

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

Operating Results

The surplus for the financial year amounted to \$464,976 (30 June 2006 : surplus of \$196,871).

Review of Operations

A review of the operations of the Branch during the financial year and the results of those operations found that during the year. The Branch continued to engage in its principal activity, the results of which are disclosed in the financial statements.

Significant Changes in State of Affairs

No significant changes in the state of affairs of the Branch occurred during the financial year.

OPERATING REPORT (Continued)

Principal Activities

The principal activities of the Branch during the financial year were promoting union activities within the Victorian state public services sector.

No significant change in the nature of these activities occurred during the year.

After Balance Date Events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Branch, the results of those operations, or the state of affairs of the Branch in future financial years.

Union details

The number of employees at 30 June 2007 was 46 (2006: 51)

The number of financial members, inclusive of the Retired Officers Division at 30 June 2007 was 13,183 (2006: 13,512).

Right of members to resign

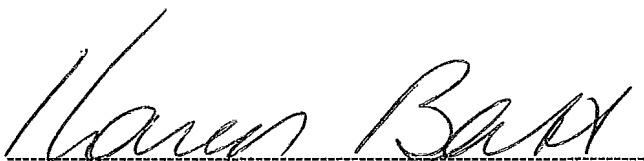
A member may resign from membership of the Union by notice in writing, addressed to the Branch Secretary, if the member cease to be eligible to become a member of the Union or the member give notice not less than two weeks before the resignation is to take effect.

Superannuation Trustees

To the best of our knowledge and belief, no officer of the organisation, by virtue of their office of the Community and Public Sector Union SPSF Group Victorian Branch is:

- (i) a trustee of a superannuation entity or exempt public sector superannuation scheme; or
- (ii) a director of a company that is the trustee of a superannuation entity or an exempt public sector superannuation scheme; and
- (iii) where a criterion for the officer being the trustee or director is that the officer is an officer of a registered organisation.

Signed in accordance with a resolution of the Branch Council:



Branch Secretary - Karen Batt

Dated this 2ND day of OCTOBER 2007

DISCUSSION AND ANALYSIS OF THE FINANCIAL STATEMENTS

Information on Community and Public Sector Union SPSF Group Victorian Branch Concise Financial Report

The concise financial report is an extract from the full financial report for the year ended 30 June 2007. 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 Victorian Branch financial statements and the information contained in the concise report has been derived from the full 2007 Financial Report of Community and Public Sector Union SPSF Group Victorian Branch.

Income Statements

The surplus attributable to members during the year is \$464,976 which is 136% higher than the results of 2006 where a surplus of \$196,871 was made. This is mainly due to revenue growth with fees from continuing operations growing by 3% and combined with 2.7% decrease in total expenses.

Balance Sheet

Total assets increased by \$ 202,864 to \$ 1,836,692 representing an increase of 12% from 2006 where total assets were \$1,633 825. This increase was attributable to the following:

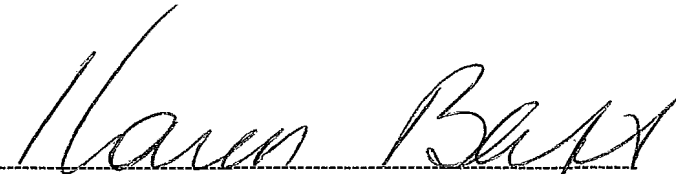
- Increase in cash and cash equivalents.
- Increase in trade and other receivables.

Total liabilities decreased over the year by \$ 262,152 to \$ 919,752 representing a decrease of 22% from the 2006 total liabilities of \$ 1,181,904. This was attributable to repayments of purchase liability and reduction of provisions.

The members fund of the Branch increased by \$ 464,976 due to the net increase in accumulated surplus.

Cash Flows

Cash flows from operating activities increased by \$359,278 in 2007 compared with \$ 457,780 in 2006. These cash flows were mainly used to finance the purchase of new assets. Overall there was a net increase in cash and cash equivalents for the 2007 year of \$ 212,872 (2006: \$ 207,389).



Branch Secretary - Karen Batt

Dated this 2ND day of OCTOBER 2007

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2007

	Note	2007 \$	2006 \$
Revenue from continuing operations	3	<u>5,112,948</u>	<u>4,973,357</u>
Administrative expenses		(218,281)	(178,218)
Salaries and related expenses		(3,223,969)	(3,401,490)
Office operation and maintenance		(216,637)	(219,098)
Motor vehicle expenses		(90,201)	(69,947)
Communications		(186,183)	(176,338)
Professional fee		(23,626)	(82,891)
Library		(6,485)	(9,619)
Meetings		(82,841)	(84,373)
Printing and publications		(193,432)	(197,746)
Affiliation and capitation fee		(334,082)	(274,756)
Computer/IT		(20,662)	(16,977)
Training and campaigns		<u>(51,573)</u>	<u>(65,033)</u>
		<u>(4,647,972)</u>	<u>(4,776,486)</u>
Surplus for the year		<u>464,976</u>	<u>196,871</u>
Surplus attributable to members of the entity		<u>464,976</u>	<u>196,871</u>

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

BALANCE SHEET
AS AT 30 JUNE 2007

	2007 \$	2006 \$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	1,181,102	968,230
Trade and other receivables	106,133	90,561
Inventories	<u>-</u>	<u>17,350</u>
TOTAL CURRENT ASSETS	<u>1,287,235</u>	<u>1,076,141</u>
NON-CURRENT ASSETS		
Property, plant and equipment	<u>549,457</u>	<u>557,687</u>
TOTAL NON-CURRENT ASSETS	<u>549,457</u>	<u>557,687</u>
TOTAL ASSETS	<u>1,836,692</u>	<u>1,633,828</u>
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	304,647	463,479
Borrowings	14,503	32,138
Provisions	<u>544,368</u>	<u>619,987</u>
TOTAL CURRENT LIABILITIES	<u>863,518</u>	<u>1,115,604</u>
NON-CURRENT LIABILITIES		
Borrowings	-	14,503
Provisions	<u>56,234</u>	<u>51,797</u>
TOTAL NON-CURRENT LIABILITIES	<u>56,234</u>	<u>66,300</u>
TOTAL LIABILITIES	<u>919,752</u>	<u>1,181,904</u>
NET ASSETS	<u>916,940</u>	<u>451,924</u>
EQUITY		
Accumulated surplus	<u>916,940</u>	<u>451,964</u>
TOTAL EQUITY	<u>916,940</u>	<u>451,964</u>

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

STATEMENT OF RECOGNISED INCOME AND EXPENSE
FOR THE YEAR ENDED 30 JUNE 2007

	Accumulated surplus	Reserves	Total
	\$	\$	\$
Balance at 1 July 2005	255,093	-	255,093
Surplus for the year	<u>196,871</u>	<u>-</u>	<u>196,871</u>
Balance at 30 June 2006	<u>451,964</u>	<u>-</u>	<u>451,964</u>
Balance at 1 July 2006	451,964	-	451,964
Surplus for the year	<u>464,976</u>	<u>-</u>	<u>464,976</u>
Balance at 30 June 2007	<u><u>916,940</u></u>	<u><u>-</u></u>	<u><u>916,940</u></u>

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

CASH FLOW STATEMENT
 FOR THE YEAR ENDED 30 JUNE 2007

	2007	2006
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from operations (inclusive of GST)	5,500,640	5,208,257
Sundry receipts	53,519	143,444
Grant received	11,000	82,500
Payments to suppliers and employees (Inclusive of GST)	(5,262,015)	(4,829,991)
Payments to Federal Office	-	(187,168)
Interest received	56,134	40,738
Net cash inflow from operating activities	<u>359,278</u>	<u>457,780</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of property, plant and equipment	44,182	23,680
Payment for property, plant and equipment	(158,450)	(175,241)
Net cash (outflow) from investing activities	<u>(114,268)</u>	<u>(151,561)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of hire purchase liability	(32,138)	(74,743)
Repayment of borrowings	-	(24,087)
Net cash (outflow) financing activities	<u>(32,138)</u>	<u>(98,830)</u>
Net increase/(decrease) in cash and cash equivalents	212,872	207,389
Cash and cash equivalents at beginning of financial year	<u>968,230</u>	<u>760,841</u>
Cash and cash equivalents at end of financial year	<u><u>1,181,102</u></u>	<u><u>968,230</u></u>

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007

This concise financial report relates to Community and Public Sector Union SPSF Group Victorian Branch. The accounting policies adopted have been consistently applied to all years presented, unless otherwise stated in note 1 below.

NOTE 1: BASIS OF PREPARATION OF THE CONCISE FINANCIAL REPORT

The financial statements, specific disclosures and other information included in the concise financial report are derived from and are consistent with the full financial report of Community and Public Sector Union SPSF Group Victorian Branch. The concise financial report cannot be expected to provide as detailed an understanding of the financial performance, financial position and financing and investing activities of Community and Public Sector Union SPSF Group Victorian Branch as the full financial report.

The financial report of Community and Public Sector Union SPSF Group Victorian Branch has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Australian Accounting Interpretations and the requirements of The Workplace Relations Act 1996. Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial statements and notes comply with International Financial Reporting Standards (IFRS). A statement of full compliance with IFRS cannot be made due to the branch applying the not for profit sector requirements contained in AIFRS.

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

NOTE 2: INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of the Workplace Relations Act 1996, the attention of members is drawn to the provisions of subsection (1), (2) and (3) of section 272 which read as follows:

(1) a member of a reporting unit, or a Registrar, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.

(2) the application must be made 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).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007

NOTE 3: REVENUE

	2007	2006
	\$	\$
From continuing operations		
<i>Service revenue</i>		
- Membership subscriptions	<u>4,996,187</u>	<u>4,809,779</u>
	<u>4,996,187</u>	<u>4,809,779</u>
<i>Other revenue</i>		
- interest	56,134	40,738
- income from Federal Office	3,000	-
- VWA Grant	10,000	75,000
- training income	38,865	39,945
- other revenue	<u>8,762</u>	<u>7,895</u>
	<u>5,112,948</u>	<u>4,973,357</u>

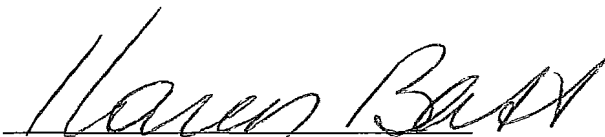
STATEMENT BY COMMITTEE OF MANAGEMENT

On 2nd October 2007 the Committee of Management of the Community and Public Sector Union SPSF Group Victorian Branch passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the year ended 30 June 2007:

The Committee of Management declares in relation to the GPFR that in its opinion:

1. the financial statements and notes, as set out on pages 4 to 9 comply with Australian Accounting Standards and other mandatory professional reporting requirements;
2. the financial statements and notes, as set out on pages 4 to 9 comply with the reporting guidelines of the Industrial Registrar;
3. the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of Community and Public Sector Union SPSF Group Victorian Branch for the financial year to which they relate;
4. there are reasonable grounds to believe that the Branch will be able to pay its debts as and when they become due and payable; and
5. during the financial year to which the general purpose financial report relates and since the end of 30 June 2007:
 - 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 Community and Public Sector Union SPSF Group Victorian Branch have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - c. the financial records of Community and Public Sector Union SPSF Group Victorian Branch have been kept and maintained in accordance with the Registration and Accountability of Organisations (RAO) Schedule and the RAO Regulations; and
 - d. where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
 - e. the information sought in any request of a member of Community and Public Sector Union SPSF Group Victorian Branch has been furnished and no order have been made under section 272 of the RAO Schedule by the Commission during the period.
 - f. No order have been made by the Commission under section 273 of the RAO Schedule during the period.

For the Committee of Management.



Branch Secretary - Karen Batt

Dated this 2nd day of OCTOBER 2007



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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITY AND PUBLIC SECTOR UNION SPSF GROUP VICTORIAN BRANCH

Report on the Concise Financial Report

The accompanying concise financial report of Community and Public Sector Union SPSF Group Victorian Branch balance sheet as at 30 June 2007 and the income statement, statement of recognised income and expense and cash flow statement for the year then ended and related notes derived from the audited financial report of Community and Public Sector Union SPSF Group Victorian Branch the year ended 30 June 2007, and the discussion and analysis. The concise financial report does not contain all of the disclosures required by Australian Accounting Standards.

Branch Committee's Responsibility for the Financial Report

The Branch Committee is responsible for the preparation and fair presentation of the concise financial report, in accordance with the Australian Accounting Standard AASB 1039: Concise Financial Reports (including Australian Accounting Interpretations) and the Workplace Relations Act 1996. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the concise financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the concise financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standard of the financial report of Community and Public Sector Union SPSF Group Victorian Branch for the year ended 30 June 2007. Our audit report on the financial report for the year was signed on 2 October 2007 and was not subject to any modification. 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 is free from material misstatement.

Our procedures in respect of the concise financial report included testing that the information in the concise financial report is derived from and is consistent with, the financial report for the year, on a test basis, of evidence supporting the amounts, discussion and analysis, and other disclosures which were not directly derived from the financial report for the year. The procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report complies with Australian Accounting Standard AASB 1039: *Concise Financial Reports* and whether the discussion and analysis complies with the requirements laid down in Australian Accounting Standard AASB 1039: *Concise Financial Reports*

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 have complied with the independence requirements of Australian professional ethical pronouncements.





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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
COMMUNITY AND PUBLIC SECTOR UNION SPSF GROUP VICTORIAN BRANCH (Continued)**

Auditor's Opinion on Concise Financial Report

In our opinion, the concise financial report including the discussion and analysis of Community and Public Sector Union SPSF Group Victorian Branch for the year ended 30 June 2007 complies with Australian Accounting Standard AASB 1039: *Concise Financial Reports*.

BGL & Associates
BGL & Associates
Chartered Accountants

I. A. Hinds

I. A. Hinds - A.C.A.
Partner

2 October 2007
Melbourne

