Australian Government

Registered Organisations Commission

14 December 2020

Rikki Hendon
Secretary, Western Australian Branch, SPSF Group
CPSU, the Community and Public Sector Union

Dear Secretary,

Re: – Financial reporting – CPSU, the Community and Public Sector Union, Western Australian Branch – for year ending 30 June 2020 (FR2020/80)

I refer to the financial report of the Western Australian Branch of the CPSU, the Community and Public Sector Union in respect of the year ending 30 June 2020. The documents were lodged with the Registered Organisations Commission ('the ROC') on 24 November 2020.

The financial report has been filed. The financial report was filed based on a primary review. This involved confirming whether the financial reporting timelines required under s.253, s.265, s.266 and s.268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under s.268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and reporting guidelines have been complied with. A primary review does not examine all disclosure requirements. Please note the report for year ending 30 June 2021 may be subject to an advanced compliance review.

You are not required to take any further action in respect of the report lodged.

Reporting Requirements

The ROC website provides a number of factsheets in relation to the financial reporting process and associated timelines. The website also contains the s.253 reporting guidelines and a model set of financial statements. The ROC recommends that reporting units use these model financial statements to assist in complying with the RO Act, the s.253 Reporting Guidelines and Australian Accounting Standards. Access to this information is available via this link.

Yours faithfully

Stephen Kellett
Financial Reporting
Registered Organisations Commission

GPO Box 2983, Melbourne VIC 3001
Telephone: 1300 341 665 | Email: regorgs@roc.gov.au
Website: www.roc.gov.au

Community & Public Sector Union
Civil Service Association of WA

Community & Public Sector Union
SPSF Group, WA Branch
Civil Service Association of WA Inc

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Reception: 08 9323 3800
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Mail: PO Box X2252, Perth WA 6847

ABN: 78 678 313 448

19th November 2020

Mark Bielecki
Commissioner
Registered Organisations Commission
GPO Box 2983
MELBOURNE VIC 3001

Dear Sir/Madam

CPSU, the Community and Public Sector Union-SPSF Group, WA Branch, 2019/2020 Financial Report

Please find attached the Financial Report for the year ending 30 June 2019 for the CPSU, the Community and Public Sector Union-SPSF Group, WA Branch as required *Fair Work (Registered Organisations) Act 2009* (the RO Act).

If you require any further information, please contact me.

Yours sincerely

Rikki Hendon
Branch Secretary

Community & Public Sector Union
Civil Service Association of WA

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CPSU, the Community And Public Sector Union SPSF Group, WA Branch

s.268 *Fair Work (Registered Organisations) Act 2009*

Certificate by prescribed designated officer

Certificate for the period ended 30 June 2020

I Rikki Hendon being the Branch Secretary of the CPSU, the Community and Public Sector Union SPSF Group, WA Branch certify:

- that the documents lodged herewith are copies of the full report or the CPSU, the Community And Public Sector Union SPSF Group, WA Branch for the period ended 30 June 2020 referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members of the reporting unit on 24th September 2020; and
- that the full report was presented to a meeting of the committee of management of the reporting unit on 9th September and 11th November 2020 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer:

Name of prescribed designated officer: Rikki Hendon

Title of prescribed designated officer: Branch Secretary

Dated: 19th November 2020

COMMUNITY AND PUBLIC SECTOR UNION SPSF GROUP WA BRANCH

ABN 16 836 420 693

GENERAL PURPOSE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

COMMUNITY AND PUBLIC SECTOR UNION SPSF GROUP WESTERN AUSTRALIAN BRANCH

ABN 16 836 420 693

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COMMUNITY AND PUBLIC SECTOR UNION SPSF GROUP WESTERN AUSTRALIAN BRANCH

ABN 16 836 420 693

OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2020

In accordance with section 254 of the *Fair Work (Registered Organisations) Act 2009* ("Act") the Branch Committee of Management present their report on the Community and Public Sector Union SPSF Group Western Australian Branch ("the Branch") for the financial year 30 June 2020.

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

The Community and Public Sector Union SPSF Group Western Australian Branch [CPSU] and the Civil Service Association of WA [CSA], which is a Union registered under the WA Industrial Relations Act 1979, effectively operate as one unit. Pursuant to the "CPSU and signatory bodies deed" [the deed] the CPSU and CSA have provided mutual covenants for cooperation. The deed has been supplied in previous years' financial disclosures.

As previously advised the deed at clause 12, informs all dealings with the membership subscription fees of the CPSU and CSA. The deed at clause 13, informs the provision of and payment for services between the CPSU and the CSA. The deed at clause 14, provides for mutual covenants of cooperation between the CPSU and the CSA. The deed at clause 15, concerns the assets of the CSA and some financial dealings between the CPSU and the CSA.

This results in the CSA undertaking all necessary financial transactions for and on behalf of the CPSU. The CPSU does not hold a bank account in its own name. Any financial obligations incurred by the CPSU are met out of a bank account held in the name of the CSA.

A list of activities are:-

- Represent the professional and industrial interests of our members
- Promote and defend WA's high quality public services system and higher education
- Negotiate Enterprise Bargaining and Industrial Agreements for fair wages and conditions
- Provide Union delegates and workplace leaders with training and education to enable them to better represent members in the workplace
- Hold monthly committee of management and branch council meetings to ensure oversight and monitoring of operational and governance compliance

Significant Changes in Financial Affairs

No matters or circumstances arose during the reporting year which significantly affected the financial affairs of the Branch.

Operating Results

The Branch's profit for the year amounted to $NIL (2019: $NIL).

COMMUNITY AND PUBLIC SECTOR UNION SPSF GROUP WESTERN AUSTRALIAN BRANCH

ABN 16 836 420 693

Right of Members to Resign

Rule 58 of CPSU, the Community and Public Sector Chapter C SPSF Group Rules sets out the terms under which a member of the CPSU Branch may resign.

(a) A member may resign from membership of the Branch by notice in writing if;

  (i) The member ceases to be eligible to become a member of the Branch; or

  (ii) The member gives notice not less than two weeks before the resignation is to take effect.

(b) The notice in writing of resignation shall be addressed to the Branch Secretary of the Branch of which the member resigning is a member or of which he or she has been attached.

Officers & Employees who are superannuation fund trustee(s) or director of a company that is a superannuation fund trustee

Committee Member, Bruce Hawkins, is a current Employee Representative on the Government Employees Superannuation Board, an exempt public sector superannuation scheme from SIS regulations

Number of Members

In accordance with Regulation 159(a) of the *Fair Work (Registered Organisations) Regulations 2009* [the Regulations] and s.254(2)(f) of the Act – the number of persons that were at the end of the financial year recorded in the register of members and who are taken to be members of the Community and Public Sector Union SPSF Group Western Australian Branch was 12,318.

Number of Employees

In accordance with Regulation 159(b) of the regulations and s.254(2)(f) of the Act– the number of persons who were at the end of the financial year employees of the CPSU Branch, including both full-time and part-time employees measured on a full-time equivalent basis were as 65.

As previously advised to Fair Work Commission, the Community and Public Sector Union SPSF Group WA Branch and the Civil Service Association Pty Ltd operate on a dual employer basis. All employees are employees of the Community and Public Sector Union SPSF Group WA Branch and the Civil Service Association Pty Ltd. However, pursuant to the deed and for operating convenience, all employee related transactions are undertaken by the CSA for and on behalf of the CPSU Branch.

COMMUNITY AND PUBLIC SECTOR UNION SPSF GROUP WESTERN AUSTRALIAN BRANCH

ABN 16 836 420 693

Names of committee of management members and periods positions held during the financial year

In accordance with Regulation 159(c) of the regulations and s.254(2)(f) of the Act– the names of the Committee of Management Members and period of positions held during the financial year were:-.

As per Community and Public Sector SPSF Group WA Branch Rule 11, CPSU Branch Executive shall be the Committee of Management.

Name	Position
Rikki Hendon	Branch Secretary
Melanie Bray	Branch Assistant Secretary
Brian Dodds	Branch President
Bruce Hawkins	Branch Treasurer
Matthew Abrahamson	Branch Vice President
Becky Anderson	Branch Vice President
Lewis Stevens	Executive Councillor
Grant Sutherland	Executive Councillor
Denise Henden	Executive Councillor
Kurt Mayerhofer	Executive Councillor
Leanne Reid	Executive Councillor

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

Signed in accordance with a resolution of the CPSU SPSF Group WA Branch Executive Committee:

Rikki Hendon

Branch Secretary

Dated: 11/9/2020

COMMUNITY AND PUBLIC SECTOR UNION SPSF GROUP WESTERN AUSTRALIAN BRANCH

ABN 16 836 420 693

REPORT REQUIRED UNDER SUBSECTION 255(2A)
FOR THE YEAR ENDED 30 JUNE 2020

The Committee of Management presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the year ended 30 June 2020.

Categories of Expenditures	**2020 $**	**2019 $**
Remuneration and other employment-related costs and expenses-employees	-	-
Advertising	399	378
Operating Costs	165,338	179,775
Donations to political parties	-	-
Legal costs	-	-

....
Signature of prescribed designated officer:

RIKKI LEE HENDON
Name of prescribed designated officer:

BRANCH SECRETARY
Title of Prescribed designated officer:

Dated: 11/9/2020

COMMUNITY AND PUBLIC SECTOR UNION SPSF GROUP WESTERN AUSTRALIAN BRANCH

ABN 16 836 420 693

COMMITTEE OF MANAGEMENT STATEMENT

On Wednesday, 9th September 2020 the Committee of Management of Community and Public Sector Union SPSF Group Western Australian Branch ("the Branch") passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 30 June 2020:

The Committee of Management declares that in its opinion:

(a) the financial statements and notes comply with the Australian Accounting Standards;

(b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act);

(c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;

(d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and

(e) during the financial year to which the GPFR relates and since the end of that year:

   (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and

   (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and

   (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and

   (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and

   (v) where information has been sought in any request by a member of the reporting unit or Commissioner duly made under section 272 of the RO Act has been provided to the member or Commissioner; and

   (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.

(f) no revenue has been derived from undertaking recovery of wages activity during the reporting period.

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

Rikki Hendon

Branch Secretary

Dated: 11 day of September 2020

COMMUNITY AND PUBLIC SECTOR UNION SPSF GROUP WESTERN AUSTRALIAN BRANCH

ABN 16 836 420 693

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2020

	Note	2020 $	2019 $
Revenue			
Membership Subscription		450,190	467,790
Capitation Fees	2A	-	-
Levies	2B	-	-
Interest Received		-	-
Grants or donations	2C	-	-
Transfers		-	-
Revenue from Recovery of Wages Activity	2D	-	-
Total income		**450,190**	**467,790**
Expenses			
Employee Expenses	3A	-	-
Capitation Fees	3B	(207,690)	(207,964)
Affiliation Fees	3C	(76,763)	(79,673)
Administration Expenses	3D	-	-
Grants or Donations	3E	(301)	(200)
Legal Costs	3F	-	-
Other Expenses	3G	(162,436)	(176,953)
Audit Fees	10	(3,000)	(3,000)
		(450,190)	**(467,790)**
Surplus for the year		-	-
Other comprehensive income		-	-
Total comprehensive income for the year		-	-

The accompanying notes form part of these financial statements.

COMMUNITY AND PUBLIC SECTOR UNION SPSF GROUP WESTERN AUSTRALIAN BRANCH

ABN 16 836 420 693

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2020

	Note	2020	2019
ASSETS		**$**	**$**
CURRENT ASSETS			
Cash and Cash Equivalents	4A	-	-
Trade and Other Receivables	4B	-	-
TOTAL CURRENT ASSETS		-	-
NON-CURRENT ASSETS			
TOTAL NON-CURRENT ASSETS		-	-
TOTAL ASSETS		-	-
LIABILITIES			
CURRENT LIABILITIES			
Trade and Other Payables	5A	-	-
Employee Provisions	6A	-	-
TOTAL CURRENT LIABILITIES		-	-
NON-CURRENT LIABILITIES			
Employee Provisions	6A	-	-
TOTAL NON-CURRENT LIABILITIES		-	-
TOTAL LIABILITIES		-	-
NET ASSETS		-	-
EQUITY			
Retained Earnings		-	-
TOTAL EQUITY		-	-

The accompanying notes form part of these financial statements.

COMMUNITY AND PUBLIC SECTOR UNION SPSF GROUP WESTERN AUSTRALIAN BRANCH

ABN 16 836 420 693

STATEMENT OF CHANGES OF EQUITY FOR THE YEAR ENDED 30 JUNE 2020

	Retained Earnings	Total
	$	$
Balance at 1 July 2018	-	-
Total comprehensive income for the year	-	-
Balance at 30 June 2019	-	-
Total comprehensive income for the year	-	-
Balance at 30 June 2020	-	-

The accompanying notes form part of these financial statements.

COMMUNITY AND PUBLIC SECTOR UNION SPSF GROUP WESTERN AUSTRALIAN BRANCH

ABN 16 836 420 693

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2020

		2020	2019
		$	$
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received			
Receipt from members		-	-
Donations and grants		-	-
Receipts from other reporting unit/controlled entity(s)		-	-
Interest		-	-
Cash used			
Transfers from CPSU of WA		-	-
Payment to national office		-	-
Payment to suppliers		-	-
Cash Generated from Operating Activities	8A	-	-
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash sed in Investing Activities		-	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash Used in Financing Activities		-	-
Net increase (decrease) in cash held		-	-
Cash & cash equivalents at the beginning of the year		-	-
Cash & cash equivalents at the end of the year	4A	-	-

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

Note 1: Summary of Significant Accounting Policies

1.1 Basis of preparation of the financial statements

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the *Fair Work (Registered Organisation) Act 2009*. For the purpose of preparing the general purpose financial statements, the Branch is a not-for-profit entity.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost, except for certain assets and liabilities at measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

1.2 Comparative amounts

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

1.3 Significant accounting judgements and estimates

The following accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

Key estimates

Impairment

Nil

Key judgments

Available-for-sale investments

Nil

1.4 New Australian Accounting Standards

Adoption of New Australian Accounting Standard Requirements

The following accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

The accounting policies adopted are consistent with those of the previous financial year except for the following standards and amendments, which have been adopted for the first time this financial year: [provide list together with discussion of impact to the extent relevant for the Branch.

- AASB 15 Revenue from Contracts with Customers, which replaces AASB 118 Revenue, and AASB 1058 Income of Not-for-Profit-Entities, which replaces in the income recognition requirements of AASB 1004 Contributions
- AASB 16 Leases and amending standards, which replaces AASB117 Leases.
- AASB 2017-6 Amendments to Australian Accounting Standards – Prepayment Features with Negative Compensation

Note 1: Summary of Significant Accounting Policies (Continued)

- AASB 2017-7 Amendments to Australian Accounting Standards – Long-term Interests in Associates and Joint Ventures
- AASB 2018-1 Amendments to Australian Accounting Standards – Annual Improvements 2015–2017 Cycle
- AASB 2018-2 Amendments to Australian Accounting Standards – Plan Amendment, Curtailment or Settlement

No accounting standard has been adopted earlier than the application date stated in the standard.

Impact on adoption of AASB 15 Revenue from Contracts with Customers (AASB 15) and AASB 1058 Income of Not-for-Profit Entities (AASB 1058)

AASB 15 Revenue from Contracts with Customers supersedes AASB 111 Construction Contracts, AASB 118 Revenue and related Interpretations and it applies, with limited exceptions, to all revenue arising from contracts with its customers.

AASB 15 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. AASB 15 also includes implementation guidance to assist not-for-profit entities to determine whether particular transactions, or components thereof, are contracts with customers. If a transaction is outside the scope of AASB 15, the recognition and measurement of income arising from the transaction may instead be specified by another Standard, for example AASB 1058 Income of Not-for-Profit Entities.

AASB 1058 replaces the income recognition requirements in AASB 1004 Contributions that had previously applied to the Branch. AASB 1058 provides a more comprehensive model for accounting for income of not-for-profit entities and specifies that:

- the timing of revenue or income recognition will depend on whether a performance obligation is identified or a liability is recognised;
- not-for-profit lessees can elect to recognise assets, including leases provided at significantly less than fair value, at their fair value; and
- all not-for-profit entities can elect to recognise volunteer services at fair value if the fair value of those services can be reliably measured.

The Branch adopted AASB 15 and AASB 1058 using the modified retrospective method of adoption, with the date of initial application of 1 July 2019. In accordance with the transition approach, the Branch recognised the cumulative effect of applying these new standards as an adjustment to opening retained earnings at the date of initial application, i.e., 1 July 2019. Consequently, the comparative information presented has not been restated and continues to be reported under the previous standards on revenue and income recognition. In addition, the Branch has applied the practical expedient and elected to apply these standards retrospectively only to contracts and transactions that were not completed contracts at the date of initial application, i.e., as at 1 July 2019.

The adoption of AASB 15 and AASB 1058 did not have a material impact on the Branch's financial statements.

Impact on adoption of AASB 16 Leases

AASB 16 Leases supersedes AASB 117 Leases, Interpretation 4 Determining whether an Arrangement contains a Lease, Interpretation 115 Operating Leases—Incentives and Interpretation 127 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

Note 1: Summary of Significant Accounting Policies (Continued)

Lessor accounting under AASB 16 is substantially unchanged from AASB 117. Lessors will continue to classify leases as either operating or finance leases using similar principles as in AASB 117. Therefore, AASB 16 does not have an impact for leases where the Branch is the lessor.

The Branch has adopted AASB 16 using the modified retrospective method of transition, with the date of initial application of 1 July 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. The Branch elected to use the transition practical expedient to not reassess whether a contract is or contains a lease at 1 July 2019.

Instead, the Branch applied the standard only to contracts that were previously identified as leases applying AASB 117 and Interpretation 4 at the date of initial application.

Upon adoption of AASB 16, the Branch applied a single recognition and measurement approach for all leases except for short-term leases and leases of low-value assets. Refer to Note 1.9 Leases for the accounting policy beginning 1 July 2019. The standard provides specific transition requirements and practical expedients, which have been applied by the Branch.

The Branch did not change the initial carrying amounts of recognised assets and liabilities at the date of initial application for leases previously classified as finance leases (i.e., the right-of-use assets and lease liabilities equal the lease assets and liabilities recognised under AASB 117). The requirements of AASB 16 were applied to these leases from 1 July 2019.

The Branch recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value assets. The right-of-use assets for most leases were recognised based on the carrying amount as if the standard had always been applied, apart from the use of incremental borrowing rate at the date of initial application. In some leases, the right-of-use assets were recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

The Branch also applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics
- Relied on its assessment of whether leases are onerous immediately before the date of initial application
- Applied the short-term leases exemptions to leases with lease term that ends within 12 months of the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
- Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease

The Branch is not required to make any adjustments on transition to AASB 16 where it is a lessor.

Future Australian Accounting Standards Requirements

The Branch has assessed the new and amended pronouncements applicable to future reporting periods and has determined that their effect on the Branch is NIL.

Note 1: Summary of Significant Accounting Policies (Continued)

1.5 Investment in associates and joint arrangements

An associate is an entity over which the Branch has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

A joint operation is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the individual assets and obligations for the liabilities of the joint operation.

The results and assets and liabilities of associates and its joint ventures are incorporated in these financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with AASB 5 Non-current Asset Held for Sale and Discontinued Operations. Under the equity method, an investment in an associate or joint venture is initially recognised in the statement of financial position at cost and adjusted thereafter to recognise the share of the profit or loss and other comprehensive income of the associate. When the share of losses of an associate or joint venture exceeds the interest in that associate, the Branch discontinues recognising its share of further losses. Additional losses are recognised only to the extent that it has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

Any excess of the cost of acquisition over the share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognised at the date of acquisition is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss.

1.6 Acquisition of assets and or liabilities that do not constitute a business combination

The Branch did not acquire an asset or liability due to 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 of the Fair Work Commission under subsection 245(1) or 249(1) of the RO Act.

1.7 Revenue

The Branch enters into various arrangements where it receives consideration from another party. These arrangements include consideration in the form of membership subscriptions, capitation fees, levies, grants, and donations.

The timing of recognition of these amounts as either revenue or income depends on the rights and obligations in those arrangements.

Revenue from contracts with customers

Where the Branch has a contract with a customer, the Branch recognises revenue when or as it transfers control of goods or services to the customer. The Branch accounts for an arrangement as a contract with a customer if the following criteria are met:

- the arrangement is enforceable; and

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

Note 1: Summary of Significant Accounting Policies (Continued)

- the arrangement contains promises (that are also known as performance obligations) to transfer goods or services to the customer (or to other parties on behalf of the customer) that are sufficiently specific so that it can be determined when the performance obligation has been satisfied.

Membership subscriptions

For membership subscription arrangements that meet the criteria to be contracts with customers, revenue is recognised when the promised goods or services transfer to the customer as a member of the Branch.

If there is only one distinct membership service promised in the arrangement, the Branch recognises revenue as the membership service is provided, which is typically based on the passage of time over the subscription period to reflect the Branch's promise to stand ready to provide assistance and support to the member as required.

If there is more than one distinct good or service promised in the membership subscription, the Branch allocates the transaction price to each performance obligation based on the relative standalone selling prices of each promised good or service. In performing this allocation, standalone selling prices are estimated if there is no observable evidence of the price that the Branch charges for that good or service in a standalone sale. When a performance obligation is satisfied, which is either when the customer obtains control of the good (for example, books or clothing) or as the service transfers to the customer (for example, member services or training course), the Branch recognises revenue at the amount of the transaction price that was allocated to that performance obligation.

For member subscriptions paid annually in advance, the Branch has elected to apply the practical expedient to not adjust the transaction price for the effects of a significant financing component because the period from when the customer pays and the good or services will transfer to the customer will be one year or less.

When a member subsequently purchases additional goods or services from the Branch at their standalone selling price, the Branch accounts for those sales as a separate contract with a customer.

Capitation fees

Where the Branch's arrangement with a branch or another reporting unit meets the criteria to be a contract with a customer, the Branch recognises the capitation fees promised under that arrangement when or as it transfers the funds.

In circumstances where the criteria for a contract with a customer are not met, the Branch will recognise capitation fees as income upon receipt (as specified in the income recognition policy below).

Levies

Levies paid by a member (or other party) in an arrangement that meets the criteria to be a contract with a customer is recognised as revenue when or as the Branch transfers the funds.

In circumstances where the criteria for a contract with a customer are not met, the Branch will recognise levies as income upon receipt (as specified in the income recognition policy below).

Note 1: Summary of Significant Accounting Policies (Continued)

Volunteer services

In circumstances where the fair value of the volunteer services can be measured reliably, the Branch recognises the fair value of volunteer services received as income together with a corresponding expense where the economic benefits of the volunteer services are consumed as the services are acquired. Where the volunteer services will contribute to the development of an asset, the fair value is included in the carrying amount of that asset.

Income of the Branch as a Not-for-Profit Entity

Consideration is received by the Branch to enable the entity to further its objectives. The Branch recognises each of these amounts of consideration as income when the consideration is received (which is when the Branch obtains control of the cash) because, based on the rights and obligations in each arrangement:

- the arrangements do not meet the criteria to be contracts with customers because either the arrangement is unenforceable or lacks sufficiently specific promises to transfer goods or services to the customer; and
- the Branch's recognition of the cash contribution does not give to any related liabilities.

Cash consideration received by the Branch will be recognised as income upon receipt.

Income recognised from transfers

Where, as part of an enforceable agreement, the Branch receives consideration to acquire or construct a non-financial asset such as property, plant and equipment to an identified specification and for the Branch's own use, a liability is recognised for the obligation to acquire or construct the asset. Income is recognised as the obligation to acquire or construct the asset is satisfied, which is typically over time. The asset that is being acquired or constructed is recognised in accordance with the policy on property, plant and equipment.

Gains from sale of assets

An item of property, plant and equipment is derecognised upon disposal (which is at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

Interest income

Interest revenue is recognised on an accrual basis using the effective interest method.

Rental income

Leases in which the Branch as a lessor, does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the relevant lease term. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

Note 1: Summary of Significant Accounting Policies (Continued)

1.8 Employee Benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and termination benefits when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities for short-term employee benefits (as defined in AASB 119 *Employee Benefits*) and termination benefits due within twelve months of the end of reporting period are measured at their nominal amounts. The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Other long-term employee benefits are measured as the present value of the estimated future cash outflows to be made by the Branch in respect of services provided by employees up to reporting date.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

The Branch recognises an obligation to provision for termination when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations as per the requirements of the relevant industrial conditions or obligations set out by Fair Work Commission.

1.9 Leases

The Branch assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Branch as a lessee

The Branch applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Branch recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Branch recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are amortised on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Branch at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

Note 1: Summary of Significant Accounting Policies (Continued)

Lease liabilities

At the commencement date of the lease, the Branch recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Branch and payments of penalties for terminating the lease, if the lease term reflects the Branch exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Branch uses the implicit the interest rate or incremental borrowing rate if the implicit lease rate is not readily determinable, Branch to use as applicable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Peppercorn or below market leases

The Branch has elected to recognise the fair value of the leased property at inception of the lease. The difference between the fair value of the leased asset and the lease liability measured at the present value of the 'peppercorn' lease rental, is recognised as income.

Short-term leases and leases of low-value assets

The Branch's short-term leases are those that have a lease term of 12 months or less from the commencement. It also applies the lease of low-value assets recognition exemption to leases that are below $7,000. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

1.10 Borrowing costs

All borrowing costs are recognised in profit and loss in the period in which they are incurred.

1.11 Cash

Cash is recognised at its nominal amount. Cash and cash equivalents includes cash on hand, deposits held at call with bank, other short-term highly liquid investments with original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the consolidated statement of financial position.

1.12 Financial Instruments

Financial assets and financial liabilities are recognised when the Branch becomes a party to the contractual provisions of the instrument.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

Note 1: Summary of Significant Accounting Policies (Continued)

1.13 Financial assets

Contract assets and receivables

A contract asset is recognised when the Branch's right to consideration in exchange goods or services that has transferred to the customer when that right is conditioned on the Branch's future performance or some other condition.

A receivable is recognised if an amount of consideration that is unconditional is due from the customer (i.e., only the passage of time is required before payment of the consideration is due).

Contract assets and receivables are subject to impairment assessment. Refer to accounting policies on impairment of financial assets below.

Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Branch's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the Branch initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest' (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Branch's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Branch commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in five categories:

- (Other) financial assets at amortised cost
- (Other) financial assets at fair value through other comprehensive income
- Investments in equity instruments designated at fair value through other comprehensive income
- (Other) financial assets at fair value through profit or loss
- (Other) financial assets designated at fair value through profit or loss

Financial assets at amortised cost

The Branch measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Note 1: Summary of Significant Accounting Policies (Continued)

Financial assets at amortised cost are subsequently measured using the effective interest (**EIR**) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Branch's financial assets at amortised cost includes trade receivables and loans to related parties.

Financial assets at fair value through other comprehensive income

The Branch measures debt instruments at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost.

The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

The Branch's debt instruments at fair value through OCI includes investments in quoted debt instruments included under other non-current financial assets.

Derecognition

A financial asset is derecognised when:

- The rights to receive cash flows from the asset have expired or
- The Branch has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

a) the Branch has transferred substantially all the risks and rewards of the asset, or

b) the Branch has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Branch has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Branch continues to recognise the transferred asset to the extent of its continuing involvement together with associated liability.

Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Impairment

Expected credit losses

Receivables for goods and services, which have 30-day terms, are recognised at the nominal amounts due less any loss allowance due to expected credit losses at each reporting date. A provision matrix that is based on historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment has been established.

Note 1: Summary of Significant Accounting Policies (Continued)

(i) Trade receivables

For trade receivables that do not have a significant financing component, the Branch applies a simplified approach in calculating expected credit losses (ECLs) which requires lifetime expected credit losses to be recognised from initial recognition of the receivables.

Therefore, the Branch does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Branch has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

(ii) Debt instruments other than trade receivables

For all debt instruments other than trade receivables and debt instruments not held at fair value through profit or loss, the Branch recognises an allowance for expected credit losses using the general approach. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Branch expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognised in two stages:

- Where there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses from possible default events within the next 12-months (a 12-month ECL).
- Where there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the debt, irrespective of the timing of the default (a lifetime ECL).

The Branch considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Branch may also consider a financial asset to be in default when internal or external information indicates that the Branch is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

1.14 Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, at amortised cost unless or at fair value through profit or loss.

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost, net of directly attributable transaction costs.

Subsequent measurement

Financial liabilities at amortised cost

After initial recognition, trade payables and interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

Note 1: Summary of Significant Accounting Policies (Continued)

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

1.15 Liabilities relating to contracts with customers

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Branch transfers the related goods or services. Contract liabilities include deferred income. Contract liabilities are recognised as revenue when the Branch performs under the contract (i.e., transfers control of the related goods or services to the customer).

Refund liabilities

A refund liability is recognised for the obligation to refund some or all of the consideration received (or receivable) from a customer. The Branch's refund liabilities arise from customers' right of return. The liability is measured at the amount the Branch ultimately expects it will have to return to the customer. The Branch updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

1.16 Contingent Liabilities and Contingent Assets

Contingent liabilities and contingent assets are not recognised in the Statement of Financial Position but are reported in the relevant notes. They may arise from uncertainty as to the existence of a liability or asset or represent an existing liability or asset in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain, and contingent liabilities are disclosed when settlement is greater than remote.

1.17 Land, Buildings, Plant and Equipment

Asset Recognition Threshold

Purchases of land, buildings, plant and equipment are recognised initially at cost in the Statement of Financial Position. The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

Revaluations—Land and Buildings

Following initial recognition at cost, land and buildings are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Revaluations are performed with sufficient frequency such that the carrying amount of assets do not differ materially from those that would be determined using fair values as at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

Note 1: Summary of Significant Accounting Policies (Continued)

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the profit or loss except to the extent that they reverse a previous revaluation increment for that class. Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset is restated to the revalued amount.

Depreciation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful life using, in all cases, the straight line method of depreciation. Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Furniture and equipment	2% - 40%
Motor vehicles	18.75%
Buildings and improvements	1.5% - 11.25%

Derecognition

An item of land, buildings, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit and loss.

1.18 Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at its cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. Gains and losses arising from changes in the fair value of investment properties are included in profit and loss in the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

Note 1: Summary of Significant Accounting Policies (Continued)

1.19 Intangibles

Intangible assets with finite lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful life. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

The useful life of the Branch's intangible assets are:

	2020	2019
Intangibles	**10 to 20 years**	10 to 20 years

Derecognition

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in profit and loss when the asset is derecognised.

1.20 Impairment for Non-Financial Assets

All assets are assessed for impairment at the end of each reporting period to the extent that there is an impairment trigger. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the Branch was deprived of the asset, its value in use is taken to be its depreciated replacement cost.

1.21 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable, and the non-current asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs of disposal.

Note 1: Summary of Significant Accounting Policies (Continued)

1.22 Taxation

The Branch is exempt from income tax under section 50.1 of the Income Tax Assessment Act 1997 however still has obligation for Fringe Benefits Tax (**FBT**) and the Goods and Services Tax (**GST**).

Revenues, expenses and assets are recognised net of GST except:

- where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- for receivables and payables.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office is classified within operating cash flows.

1.23 Fair value measurements

The Branch measures financial instruments, such as, financial assets as at fair value through the profit and loss, financial assets at fair value through OCI, and non-financial assets such as land and buildings and investment properties, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Branch. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Branch uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1—Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2—Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3—Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Note 1: Summary of Significant Accounting Policies (Continued)

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Branch determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. External valuers are involved for valuation of significant assets, such as land and buildings and investment properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. For the purpose of fair value disclosures, the Branch has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

1.24 Inventory

Raw materials and stores, work in progress and finished goods

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

1.25 Going Concern

The Branch is not reliant on financial support of another reporting unit to continue on a going concern basis. However the Branch is reliant on the financial support of the Civil Service Association of WA Inc. See Note 9.

The Branch provides no financial support to ensure another reporting unit can continue on a going concern basis.

COMMUNITY AND PUBLIC SECTOR UNION SPSF GROUP WESTERN AUSTRALIAN BRANCH

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

Note 2: Income

No income was received during the reporting period for capitation fees, levies, grants or donations or support from another reporting unit of the organisation.

	2020	2019
	$	$
Note 2A: Capitation Fees	-	-
Note 2B: Levies	-	-
Note 2C: Grants or Donations	-	-
Note 2D: Revenue from recovery of wages activity	-	-

Note 3: Expenses

During the reporting period no expenses were incurred as consideration for employers making payroll deductions of membership subscriptions, compulsory levies imposed, legal costs or penalties imposed on the Branch under the RO Act with respect to its conduct.

Note 3A: Employee Expenses

	2020	2019
Holders of office:		
– Wages and salaries	353,075	537,307
– Superannuation	38,443	45,421
– Leave and other entitlements	(11,121)	(137,652)
Subtotal employee expenses holders of office	380,397	445,076
Employees other than office holders:		
– Wages and salaries	5,879,121	5,988,658
– Superannuation	681,760	667,226
– Leave and other entitlements	180,034	82,209
– Other employee expenses	-	-
Subtotal employee expenses other than office holders	6,740,915	6,738,093
Total employee expenses *(Reported in the financial statements of the Civil Service Association of WA Inc)*	7,121,312	7,183,169

Note 3B: Capitation Fees and Other Expense to Another Reporting Unit

	2020	2019
Capitation fees		
National Office Membership (CPSU)	(207,690)	(207,964)
Subtotal capitation fees	(207,690)	(207,964)
Other expense to another reporting unit	-	-
Total capitation fees and other expense to another reporting unit	(207,690)	(207,964)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
	$	$
Note 3C: Affiliation Fees		
Australian Council of Trade Union Affiliation fees	(76,763)	(79,673)
Total Affiliation fees	(76,763)	(79,673)

Note 3D: Administration Expenses

The Community and Public Sector Union SPSF Group WA Branch and the Civil Service Association of WA [CSA], which is a Union of employees registered under the WA *Industrial Relations Act 1979*, effectively operate as one unit. Pursuant to the "CPSU and signatory bodies deed" [the deed] the Community and Public Sector Union SPSF Group WA Branch and CSA have provided mutual covenants for cooperation [see clause 14 deed]. Please note the deed has been supplied in previous year's financial reports.

The deed at clause 12, informs all dealings with the membership subscription fees of the Community and Public Sector Union SPSF Group WA Branch and CSA.

The deed at clause 13, informs the provision of and payment for services between the Community and Public Sector Union SPSF Group WA Branch and the CSA.

The deed at clause 14, provides for mutual covenants of cooperation between the Community and Public Sector Union SPSF Group WA Branch and the CSA.

The deed at clause 15, concerns the assets of the CSA and financial dealings between the Community and Public Sector Union SPSF Group WA Branch and the CSA.

This results in the CSA undertaking all necessary financial transactions for and on behalf of the Community and Public Sector Union SPSF Group WA Branch. The Community and Public Sector Union SPSF Group WA Branch does not hold a bank account in its own name. All financial obligations incurred by the Community and Public Sector Union SPSF Group WA Branch are met out of a bank account held in the name of the CSA.

In consequence, Community and Public Sector Union SPSF Group WA Branch revenue and expenses are recorded in compliance with the deed. This is effectively a bookkeeping exercise given the Community and Public Sector Union SPSF Group WA Branch holds no bank account to receive or disburse monies. Further, the Community and Public Sector Union SPSF Group WA Branch holds no other tangible assets in its own name.

A proportion of the membership subscriptions [of the Community and Public Sector Union SPSF Group WA Branch and the CSA] is allocated as income for the Community and Public Sector Union SPSF Group WA Branch. This is undertaken as per the requirements of the deed.

Consideration to employers for payroll deductions	-	-
Compulsory levies	-	-
Fees/allowance – meeting & conferences	-	-
Meetings of members, committees etc. & conferences & travel	-	-
Total administration expenses	-	-

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
	$	$
Note 3E: Grants or Donations		
Grants		
Total paid that were $1,000 or less	-	-
Total paid that exceeded $1,000	-	-
Donations		
Total paid that were $1,000 or less	(301)	(200)
Total paid that exceeded $1,000	-	-
Total grants or donations	(301)	(200)

	2020	2019
Note 3F: Legal Costs		
Litigation	-	-
Other legal matters	-	-
Total legal costs	-	-

	2020	2019
Note 3G: Other Expenses		
Advertising	(399)	(378)
Cleaning	(12,519)	(11,576)
Council Expenses	(144)	(6,780)
Courier Services	(7)	(43)
Fuel Light and Power	(19,165)	(20,770)
General Expense	(2,861)	(3,869)
Industrial Campaigns	(83,396)	(91,598)
Insurance	(6,994)	(6,925)
Media Monitoring	(118)	(161)
Photocopy Cost	(5,190)	(5,440)
Postage	(1,305)	(1,284)
Promotions	(549)	(1,347)
Rates & Taxes	(11,254)	(9,430)
Security	(663)	(654)
Special Projects	(8,447)	(7,137)
Stationery	(1,273)	(2,702)
Storage Facility	(1,116)	(1,149)
Subscriptions	(1,059)	-
Telephone	(5,112)	(4,708)
Travelling Expenses	(91)	(310)
Web Development Costs	(774)	(692)
Penalties - via RO Act or RO Regulations	-	-
Total Other Expenses	(162,436)	(176,953)

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

Note 4: Current Assets

The Branch has no fund or account operated in respect of compulsory levies or voluntary contributions, and therefore has no such monies invested in any assets. The Branch has no fund or account the operation of which is required by its rules or by the rules of the organisation, and therefore no transfers and/or withdrawal(s) from such an account.

	2020	2019
	$	$
Note 4A: Cash and Cash Equivalents		
Cash at bank	-	-
Total cash and cash equivalents	-	-
Note 4B: Trade and Other Receivables		
Receivables from other reporting unit	-	-
Less provision for doubtful debts	-	-
Total receivables - net	-	-
Other receivables:		
– ATO refunds	-	-
Total other receivables	-	-
Total trade and other receivables	-	-

Note 5: Current Liabilities

The Branch has no payables or other financial liability to any other reporting unit of the organisation.

The Branch has no payables to employers as consideration for the employer making payroll deductions for membership subscriptions, or in respect of legal costs and other expenses related to litigation or other legal matters.

	2020	2019
Note 5A: Trade and Other Payables		
Payables to other reporting units	-	-
Consideration to employers for payroll deductions	-	-
Legal costs	-	-
Total trade and other payables	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
	$	$
Note 6: Provisions		
Note 6A: Employee Provisions		
Office holders:		
– Annual leave	43,975	55,582
– Long service leave	98,935	100,394
Subtotal employee provisions – office holders	142,910	155,976
Employees other than office holders:		
– Annual leave	578,939	500,446
– Long service leave	769,096	665,610
Subtotal employee provisions – employees other than office holders	1,348,035	1,166,056
Total employee provisions *(Reported in the financial statements of the Civil Service Association of WA Inc)*	1,490,945	1,322,032
Current	1,348,363	1,201,890
Non-current	142,582	120,142
Total employee provisions *(Reported in the financial statements of the Civil Service Association of WA Inc)*	1,490,945	1,322,032
Note 7: Other Specific Disclosures – Funds		
Compulsory levy/voluntary contribution fund – if invested in assets	-	-
Other funds required by rules	-	-
Total other specific disclosures	-	-

Note 8: Cash Flow

As a result of the Community and Public Sector Union SPSF Group Western Australian Branch's relationship with the CSA, the Community and Public Sector Union SPSF Group Western Australian Branch's funds are not a discrete deposit of monies, separate to that of the CSA.

The funds are identified as a notional sum in the CSA accounts and in accordance with the deed. The CSA undertakes all necessary financial transactions for and on behalf of the Community and Public Sector Union SPSF Group Western Australian Branch, which does not hold a bank account in its own name, or have any cash assets and all financial obligations incurred by the Community and Public Sector Union SPSF Group Western Australian Branch are met out of a bank account held in the name of the CSA.

COMMUNITY AND PUBLIC SECTOR UNION SPSF GROUP WESTERN AUSTRALIAN BRANCH

ABN 16 836 420 693

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
	$	$
Note 8A: Cash Flow Reconciliation		
Reconciliation of profit to net cash from operating activities:		
Surplus/(deficit) for the year	-	-
Changes in assets/liabilities		
– Increase in trade and other receivables	-	-
Net cash generated from operating activities	-	-
Note 8B: Cash Flow Information		
Cash inflows		
Transfer from CSAWA savings to cover capitation fees payment	-	-
Total cash inflows	-	-
Cash outflows		
National Office Membership (CPSU)	-	-
Australian Council of Trade Union Affiliation Fees	-	-
Total cash outflows	-	-

Note 9: Related Party Disclosures

Since the inception of the Civil Service Association of WA (Incorporated), it has provided financial and other resource support to the CPSU WA Branch. The CSAWA has in correspondence dated 6 September 2017 formalised the nature of that support and resolved to continue to fund the operations of the Branch by way of making necessary payments on behalf of CPSUWA time to time and/or the provision of staff and other resources as required.

The CSAWA has undertaken to consult with the Branch should it become necessary to alter or cease this support and in any event will give at least three months' notice of any such alteration or cessation.

Note 9A: Related Party Transactions for the Reporting Period

The following table provides the total amount of transactions that have been entered into with related parties for the relevant year.

Revenue received from the following:		
– Civil Service Association of Western Australia (incorporated)	-	-
	-	-

Terms and conditions of transactions with related parties

The terms of the revenue received from the related party are as per Note 9 above. There have been no guarantees required or provided by the Branch for any of the revenue received from the related party. For the year ended 30 June 2020 there are no amounts owed to the Branch by a related party, declared person or body (2019: $Nil)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

Note 9B: Key Management Personnel Remuneration for the Reporting Period

Pursuant to a certificate issued under *s71* of the WA *Industrial Relations Act 1979*, the two full time elected officials of the Community and Public Section Union SPSF Group WA Branch [Key Management Personnel] are also the two full time elected officials of the CSA. The relevant titles are Branch Secretary and Branch Assistant Secretary for the Community and Public Sector Union SPSF Group Western Australian Branch and General Secretary and Assistant General Secretary for the CSA.

	2020	2019
	$	$
Short-term employee benefits:		
– Salary (including annual leave taken)	353,075	537,307
– Annual leave accrued	(9,878)	(15,437)
– Remuneration for attending meeting & conferences & travel allowance	-	-
– Committee honorariums	-	-
– Meeting expenses	-	-
Total short-term employee benefits	397,050	521,870
Post-employment benefits:		
– Superannuation	38,443	45,421
Total post-employment benefits	38,443	45,421
Other long-term benefits:		
– Long service leave	(1,242)	(122,215)
Total long-term benefits	98,935	(122,215)

Note 9C: Remuneration Paid to the Employees (Other than Office Holders)

The Community and Public Sector Union SPSF Group Western Australian Branch has 64 employees. It effectively operates as a dual employer of the employees with the CSA. All employee expenses are paid through the CSA.

The following employee expenses were paid through CSA and recoded as a liability for CSA:-

	2020	2019
Short-term employee benefits:		
– Salary (including annual leave taken)	5,879,121	5,988,658
– Annual leave accrued	180,034	82,209
– Separation & Redundancies	-	-
Total short-term employee benefits	6,059,155	6,070,867
Post-employment benefits:		
– Superannuation	681,760	667,226
Total post-employment benefits	681,760	667,226

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

	2020 $	2019 $
Other long-term benefits:		
– Long service leave	-	-
Total long-term benefits	-	-

Note 10: Remuneration of Auditors

	2020	2019
Value of the services provided		
– Financial statement audit services	3,000	3,000
– Other services & membership audit	-	-
Total remuneration of auditors	3,000	3,000

Note 11: Events after the reporting period

As a result of the evolving nature of the COVID-19 outbreak and the rapidly evolving government policies of restrictive measures put in place to contain it, as at the date of these financial statements, the Branch is not in a position to reasonably estimate the financial effects of the COVID-19 outbreak on the future financial performance and financial position of the Branch. Other than the current disclosures, there has not been any other matter or circumstance occurring subsequent to the end of the financial year that has 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 subsequent financial periods.

Note: 12 Financial Instruments

The Branch's financial instruments consist of deposit with banks and accounts receivable and payable.

Risk is managed by the Branch Committee monitoring the financial performance of the CPSUWA (a related party. See Note 9 and 9A) and its continuing capacity and willingness to financially support the operations of the Branch.

The main purpose of non-derivative financial instruments is to raise finance for the operations. The Branch does not have any derivative instruments as at 30 June 2020.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

Note 12A: Categories of Financial Instruments

	2020	2019
	$	$
Financial assets		
Fair value through profit or loss	-	-
Loans and receivable	-	-
Carrying amount of financial asset	-	-
Financial Liabilities		
Fair value through profit or loss	-	-
Other financial liabilities	-	-
Carrying amount of financial liabilities	-	-

Note 12B: Net Income and Expense from Financial Assets

Fair value through profit or loss	-	-
Loans and receivable	-	-
Net gain/(loss) from financial assets	-	-

The net income/expense from financial assets not at fair value from profit and loss is nil (2019: nil).

Note 12C: Net Income and Expense from Financial Liabilities

Fair value through profit or loss	-	-
At amortises cost	-	-
Net gain/(loss) from financial assets	-	-

The net income/expense from financial liabilities not at fair value from profit and loss is $Nil (2019: $Nil).

Note 12D: Credit Risk

The Branch is not exposed to any credit risk. The Branch does not monitor the credit risks in relation to cash and cash equivalent, which are transacted through creditworthy financial institutions. The management believes that these institutions are being subject to strict prudential norms imposed by Legislation, Reserve Bank and other regulatory authorities.

Note 12E: Liquidity Risk

Liquidity risk is the risk that the Branch will encounter difficulties in meeting the contractual obligations of its financial liabilities (principally due to shortage of funds).

Liquidity risk is kept continually under review and managed to ensure that cleared funds are held to meet the obligations on the respective due dates.

Liquidity risk is managed through:

(a) Monitoring short term forecasted in-flows and the committed cash outflows of financial stabilities;

(b) Monitoring the unused withdrawal facilities with banks.

The tables below reflect an undiscounted contractual maturity analysis for non-derivative financial liabilities. The Branch does not hold directly any derivative financial liabilities.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates.

Contractual maturities for financial liabilities 2020

	On Demand	< 1 year	1-2 years	2-5 years	> 5 years	Total
	$	$	$	$	$	$
Trade and other payables	-	-	-	-	-	-
Total	-	-	-	-	-	-

Contractual maturities for financial liabilities 2019

	On Demand	< 1 year	1-2 years	2-5 years	> 5 years	Total
	$	$	$	$	$	$
Trade and other payables	-	-	-	-	-	-
Total	-	-	-	-	-	-

Note 12F: Market Risk

(a) ***Interest rate risk***

Interest rate risk is the risk that the fair values and cash-flows of Branch's financial instruments will be affected by changes in the market interest rates.

The management of the Branch believes that the risk of interest rate movement would not have material impact on Branch's operations.

(b) ***Other price risk***

Other price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) of securities held.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

Note 12F: Market Risk (Continued)

Sensitivity analysis of the risk that the entity is exposed to for 2020

	Risk variable	Change in risk	Effect on	
		Variable %	Profit & loss	Equity
			$	$
Interest rate risk	-	+/- 1%	-	-
Other price risk	-	+/- 1%	-	-

Sensitivity analysis of the risk that the entity is exposed to for 2019

	Risk variable	Change in risk	Effect on	
		Variable %	Profit & loss	Equity
			$	$
Interest rate risk	-	+/- 1%	-	-
Other price risk	-	+/- 1%	-	-

Note 12G: Asset Pledge/or Held as collateral

	2020	2019
	$	$
Financial assets pledged as collateral	-	-
Assets held as collateral	-	-

Note 12H: Changes in Liabilities Arising from Financing Activities

	1 July 2019	Cash Flows	Other	30 June 2020
	$	$	$	$
Current interest-bearing loans and borrowings (excluding items listed below)	-	-	-	-
Current obligations under finance leases and hire purchase contracts	-	-	-	-
Non-current interest-bearing loans and borrowings (excluding items listed below)	-	-	-	-
Non-current obligations under finance leases and hire purchase contracts	-	-	-	-
Dividends Payable	-	-	-	-
Derivatives	-	-	-	-
Total liabilities from financing activities	-	-	-	-

Note 12H: Changes in Liabilities Arising from Financing Activities (Continued)

	1 July 2018	Cash Flows	Other	30 June 2019
	$	$	$	$
Current interest-bearing loans and borrowings (excluding items listed below)	-	-	-	-
Current obligations under finance leases and hire purchase contracts	-	-	-	-
Non-current interest-bearing loans and borrowings (excluding items listed below)	-	-	-	-
Non-current obligations under finance leases and hire purchase contracts	-	-	-	-
Dividends Payable	-	-	-	-
Derivatives	-	-	-	-

Note 13: Fair Value Measurement

Note 13A: Financial Assets and Liabilities

Management of the Branch assessed that cash, trade receivables, trade payables, and other current liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The fair value of financial assets and liabilities is included at the amount which the instrument could be exchanged in a current transaction between willing parties. The following methods and assumptions were used to estimate the fair values:

- Fair values of the reporting unit's interest-bearing borrowings and loans are determined by using a discounted cash flow method. The discount rate used reflects the issuer's borrowing rate as at the end of the reporting period. The own performance risk as at 30 June 2020 was assessed to be insignificant.
- Fair value of available-for-sale financial assets is derived from quoted market prices in active markets.
- Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the Group based on parameters such as interest rates and individual credit worthiness of the customer. Based on this evaluation, allowances are taken into account for the expected losses of these receivables. As at [year-end reporting date] the carrying amounts of such receivables, net of allowances, were not materially different from their calculated fair values.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

Note 13A: Financial Assets and Liabilities (Continued)

The following table contains the carrying amounts and related fair values for the Branch's financial assets and liabilities:

	Carrying amount 2020	**Fair value 2020**	Carrying amount 2019	Fair value 2019
	$	**$**	$	$
Financial Assets				
Trade and other receivable	-	-	-	-
Total	-	-	-	-
Financial Liabilities	-	-	-	-
Trade and other payable	-	-	-	-
Total	-	-	-	-

Note 13B: Financial and Non-financial Assets and Liabilities Fair Value Hierarchy

The following tables provide an analysis of financial and non-financial assets and liabilities that are measured at fair value, by fair value hierarchy.

Fair value hierarchy – 30 June 2020

	Date of Valuation	Level 1	Level 2	Level 3
Asset measured at fair value	$	$	$	$
Cash and cash equivalents		-	-	-
Trade and other receivables		-	-	-
Total financial assets		-	-	-
Financial liabilities				
Trade and other payables		-	-	-
Total financial liabilities		-	-	-

There were no transfers occurred during the financial year.

Fair value hierarchy – 30 June 2019

	Date of Valuation	Level 1	Level 2	Level 3
Asset measured at fair value	$	$	$	$
Cash and cash equivalents		-	-	-
Trade and other receivables		-	-	-
Total financial assets		-	-	-
Financial liabilities				
Trade and other payables		-	-	-
Total financial liabilities		-	-	-

There were no transfers occurred during the financial year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

Note 14: 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 subsections (1) to (3) of section 272, which reads as follows:

Information to be provided to members or the Commissioner:

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

(2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.

(3) A reporting unit must comply with an application made under subsection (1).

COMMUNITY AND PUBLIC SECTOR UNION SPSF GROUP WESTERN AUSTRALIAN BRANCH

ABN 16 836 420 693

OFFICER DECLARATION STATEMENT

I, Rikki Hendon, being the Branch Secretary of the Community and Public Sector Union SPSF Group WA Branch, declare that the following activities did not occur during the reporting period ending 30 June 2020.

The Branch did not:

- Agree to receive financial support from another reporting unit as a going concern
- Agree to provide financial support to another reporting unit to ensure they continue as a going concern
- Acquire an asset or liability due to amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organization, a determination or revocation by the General Manager, Fair Work Commission
- Receive capitation fees from another reporting unit
- Receive any other revenue from another reporting unit
- Receive revenue via compulsory levies
- Receive donations or grants
- Receive revenue from undertaking recovery of wages activity
- Incur fees as consideration for employers making payroll deductions of membership subscriptions
- Pay capitation fees to another reporting unit
- Pay any other expense to another reporting unit
- Pay compulsory levies
- Pay a grant that was $1,000 or less
- Pay a grant that exceeded $1,000
- Pay a donation that exceeded $1,000
- Pay to a person fees or allowances to attend conferences or meetings as a representative of the reporting unit
- Incur expenses due to holding a meeting as required under the rules of the organization
- Pay legal costs relating to litigation
- Pay legal costs relating to other legal matters
- Pay a penalty imposed under the RO Act or the Fair Work Act 2009
- Have a receivable with other reporting unit(s)
- Have a payable with other reporting unit(s)
- Have a payable to an employer for that employer making payroll deductions of membership subscriptions
- Have a payable in respect of legal costs relating to litigation
- Have a payable in respect of legal costs relating to other legal matters
- Have a fund or account for compulsory levies, voluntary contributions or required by the rules of the organization or branch
- Transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity
- Have a balance within the general fund
- Provide cash flows to another reporting unit and/or controlled entity
- Receive cash flows from another reporting unit and/or controlled entity
- Have another entity administer the financial affairs of the reporting unit
- Make a payment to a former related party of the reporting unit

Signed by the officer: ....

Dated: 11/9/2020

Anderson Munro & Wyllie
CHARTERED ACCOUNTANTS, REGISTERED COMPANY AUDITORS AND REGISTERED SMSF AUDITORS
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COMMUNITY AND PUBLIC SECTOR UNION SPSF GROUP WA BRANCH

Report on the Audit of the Financial Report

Opinion

I have audited the financial report of Community and Public Sector Union SPSF Group WA Branch, which comprises the statement of financial position as at 30 June 2020, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended 30 June 2020, notes to the financial statements, including a summary of significant accounting policies, the committee of management statement, the subsection 255(2A) report and the Officer Declaration Statement.

In my opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of Community and Public Sector Union SPSF Group WA Branch as at 30 June 2020, and its financial performance and its cash flows for the period ended on that date in accordance with:

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* (the RO Act).

I declare that management's use of the going concern basis in the preparation of the financial statements of the Branch is appropriate.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the Branch in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Information Other than the Financial Report and Auditor's Report Thereon

The Committee of Management is responsible for the other information. The other information obtained at the date of this auditor's report is in the Operating Report accompanying the financial report.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of Committee of Management for the Financial Report

The Committee of Management of the Branch is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the RO Act, and for such internal control as the Committee of Management determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Committee of Management is responsible for assessing the Branch's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Committee of Management either intend to liquidate the Branch or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

My objective is to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Branch's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee of Management.
- Conclude on the appropriateness of the Committee of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Branch's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Branch to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Branch to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the Branch audit. I remain solely responsible for my audit opinion.

I communicate with the Committee of Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I declare that I am an auditor registered under the RO Act, a member of Chartered Accountants Australia and New Zealand and hold a current Public Practice Certificate.

Anderson Munro + Wyllie

ANDERSON MUNRO & WYLLIE
Chartered Accountants
Address: Unit 8, 210 Winton Road, Joondalup, Western Australia

MARTIN SHONE
Principal & Registered Company Auditor
RO Registration number AA2017/8

Dated at Perth, Western Australia this 14th day of September 2020

Anderson Munro & Wyllie
CHARTERED ACCOUNTANTS, REGISTERED COMPANY AUDITORS AND REGISTERED SMSF AUDITORS
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COMMUNITY AND PUBLIC SECTOR UNION SPSF GROUP WA BRANCH

STATEMENT OF RECOVERY OF WAGES

Based on representations made to us by the Community and Public Sector Union SPSF Group WA Branch and our work undertaken for the year ended 30 June 2020, it appears that there was no recovery of wages activities occurred in the reporting period.

Anderson Munro + Wyllie

ANDERSON MUNRO & WYLLIE
Chartered Accountants
Address: Unit 8, 210 Winton Road, Joondalup, Western Australia

MARTIN SHONE
Principal & Registered Company Auditor
RO Registration number AA2017/8

Dated at Perth, Western Australia this 14th day of September 2020