



16 January 2019

Mr Nick Player
President
Industrial Staff Union, PSA of NSW

By e-mail: isu@psa.asn.au

Dear Mr Player

Industrial Staff Union, PSA of NSW
Financial Report for the year ended 30 June 2018 - FR2018/155

I acknowledge receipt of the financial report for the year ended 30 June 2018 for the Industrial Staff Union, PSA of NSW (ISU). The financial report was lodged with the Registered Organisations Commission (ROC) on 30 November 2018.

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

Whilst the 2018 report has been filed the following should be addressed in the preparation of the next financial report.

1. Operating report

Prescribed information in Operating report

Regulation 159(c) requires an operating report to contain the name of each person who has been a member of the committee of management of the reporting unit at any time during the reporting period, and the period for which he or she held such a position. The ROC takes the words “at any time” to mean that all persons, whether they held their position for the full year or for part of the year, must be included.

I note that the names of:

- Greg Corrigan
- Blake Stephens
- Marianne Ledic

appeared in the previous year’s operating report but did not appear in this year’s operating report. There was no indication that these persons had resigned during, or at the end of, the previous year, and without any such indication the question arises whether their names have been inadvertently omitted.

In future, please ensure that members of the committee of management are listed in accordance with Regulation 159(c).

2. General Purpose Financial Report (GPFR)

Future Australian Accounting Standards

Australian Accounting Standard *AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors* paragraph 30 requires that the entity disclose Australian Accounting Standards issued but not yet effective with an assessment of the future impact on the entity.

The statement in Note 1.4 of the GPFR does not list the particular future accounting standards that could be relevant to the reporting unit and whether or not the future impact is known or reasonably estimable. In this regard the information outlined in paragraph 31 of AASB 108 is considered relevant to members.

Financial instruments disclosures

Australian Accounting Standard *AASB 7 Financial Instruments: Disclosures* details the reporting disclosures required by an entity in relation to financial instruments.

Although some disclosures have been made at Note 9 to the GPFR not all relevant disclosures have been provided. At a minimum this note should include a general discussion on how the entity manages risk and risk exposures, an analysis of financial assets, an analysis of financial liabilities and an analysis of sensitivity to financial risk.

3. Officer's declaration statement

Nil disclosures not disclosed elsewhere

The officer's declaration statement provides reporting units with an option to disclose nil activities not reported elsewhere within the financial report.

Reporting guideline 21 states that if any activity described within items 10-20 of the reporting guidelines has not occurred in the reporting period, a statement to this effect must be included in the financial statements, the notes **or** in an officer's declaration statement. Nil activities should be disclosed only **once**.

I note that the PGA officer's declaration statement includes disclosures for which there was already a disclosure in the body of the notes.

4. Auditor's statement

Auditor's qualifications

Item 29(b) of the reporting guidelines states that the auditor's statement must specify the registered auditor's name and registration number. The auditor's statement provided states the name of the registered auditor but not the registration number.

In future, please ensure that this information is provided.

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 9603 0707 or by email at ken.morgan@roc.gov.au

Yours faithfully

A handwritten signature in black ink, appearing to read 'K. Morgan', with a stylized flourish at the end.

KEN MORGAN
Financial Reporting Specialist
Registered Organisations Commission

Industrial Staff Union, PSA of NSW
ABN 65 903 110 044

FINANCIAL STATEMENTS 2017–18

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Industrial Staff Union, PSA of NSW
ABN 65 903 110 044


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

CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER

Certificate for the year ended 30 June 2018

I, Nick Player, being the President of the Industrial Staff Union – PSA of NSW certify:

- that the documents lodged herewith are copies of the full report for the Industrial Staff Union – PSA of NSW for the year ended 30 June 2018 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 9 November 2018; and
- that the full report was presented to a general meeting of members of the reporting unit on 30 November 2018 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer: 

Name of prescribed designated officer: Nick Player

Title of prescribed designated officer: President

Dated: 30 November 2018

Industrial Staff Union, PSA of NSW

ABN 65 903 110 044

OPERATING REPORT

for the year ended 30 June 2018

The committee presents its report on the reporting unit for the financial year ended 30 June 2018.

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

The principle activity of the Industrial Staff Union was the representation and support of the members of the ISU. There was no change in the nature of these activities during the year.

Significant changes in financial affairs

There are no significant changes during the year.

Right of members to resign

Members of the Industrial Staff Union have the right to resign with written notice from the Union by following Clause 5(7) of the Union's constitution.

Officers or members who are superannuation fund trustees or director of a company that is a superannuation fund trustee

Nil

Number of members

The number of members at 30 June 2018 is 86.

Number of employees

Nil

Names of Committee of Management members and period positions held during the financial year

Nick Player	President	25 May 2018 to 30 June 2018
Phoebe Dangerfield	Vice President	1 July 2017 to 30 June 2018
Jen Mitchell	Secretary	25 May 2018 to 30 June 2018
Michelle Mackintosh	Assistant Secretary	31 August 2017 to 30 June 2018
Roland Harris	Treasurer	12 February 2018 to 30 June 2018

Signature of designated officer:

Name and title of designated officer: Nick Player, President

Dated: 1 November 2018

Industrial Staff Union, PSA of NSW
ABN 65 903 110 044

COMMITTEE OF MANAGEMENT STATEMENT

for the year ended 30 June 2018

On the 9 November 2018 the Management Committee of the Industrial Staff Union passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 30 June 2018:

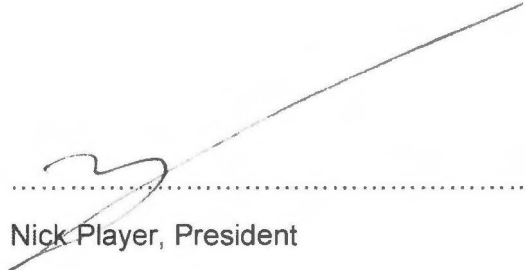
The Management Committee declares that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the Commissioner;
- (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.

Signature of designated officer:

Name and title of designated officer:


Nick Player, President

Dated:

1 November 2018

Industrial Staff Union, PSA of NSW
ABN 65 903 110 044

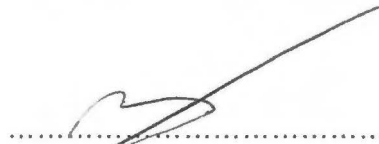
OFFICER DECLARATION STATEMENT

I, Nick Player, being the President of the Industrial Staff Union, PSA of NSW, declare that the following activities did not occur during the reporting period ending 30 June 2018.

The reporting unit did not:

- agree to receive financial support from another reporting unit to continue as a going concern (refers to agreement regarding financial support not dollar amount)
- agree to provide financial support to another reporting unit to ensure they continue as a going concern (refers to agreement regarding financial support not dollar amount)
- 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 an organisation, 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 was \$1,000 or less
- 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 organisation
- pay legal costs relating to litigation
- 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 organisation 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 units 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

Signature of designated officer:



.....

Name and title of designated officer:

Nick Player, President

Dated:

1 November 2018

Industrial Staff Union, PSA of NSW
ABN 65 903 110 044

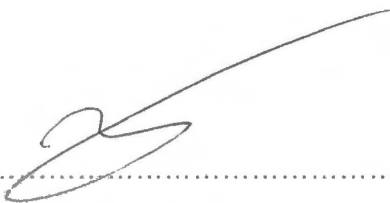
REPORT REQUIRED UNDER SUBSECTION 255(2A)

for the year ended 30 June 2018

The Committee of Management presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the year ended 30 June 2018.

Categories of expenditures	2018 \$	2017 \$
Remuneration and other employment-related costs and expenses – employees	-	-
Advertising	-	-
Operating costs	8,859	23,120
Donations to political parties	5,000	1,100
Legal costs	982	8,306

Signature of designated officer:


.....

Name and title of designated officer:

Nick Player, President

Dated:

1 November 2018

Industrial Staff Union, PSA of NSW
ABN 65 903 110 044

STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 June 2018

	Notes	2018 \$	2017 \$
Revenue			
Membership subscription*		42,314	44,692
Capitation Fees*	3A	-	-
Levies*	3B	-	-
Other revenue		182	190
Total revenue		42,496	13,165
Other Income			
Grants and/or donations*	3C	-	-
Total other income		-	-
Total income		42,496	13,165
Expenses			
Employee expenses*	4A	-	-
Capitation Fees*	4B	-	-
Affiliation fees*	4C	445	79
Administration expenses*	4D	-	-
Grants or donations*	4E	7,000	3,000
Legal costs*	4F	982	8,306
Audit fees	4G	4,340	19,580
Other expenses*	4H	1,141	1,141
Printing, Stationery and Postage		-	420
Staff training		933	-
Total expenses		14,841	32,526
Profit (loss) for the year		27,655	12,356
Total comprehensive income / (loss) for the year		27,655	12,356

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

Industrial Staff Union, PSA of NSW
ABN 65 903 110 044

STATEMENT OF FINANCIAL POSITION
as at 30 June 2018

	Notes	2018 \$	2017 \$
ASSETS			
Current Assets			
Cash and cash equivalents*	5A	195,558	169,227
Trade and other receivables*	5B	4,024	-
Total current assets		199,582	169,227
Total assets		199,582	169,227
LIABILITIES			
Current Liabilities			
Trade payables*	6A	-	-
Other payables*	6B	2,700	-
Employee Provisions*		-	-
Total current liabilities		2,700	-
Total liabilities		2,700	-
Net assets		196,882	169,227

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

Industrial Staff Union, PSA of NSW
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STATEMENT OF CHANGES IN EQUITY
for the year ended 30 June 2018

	Notes	General funds \$	Retained earnings \$	Total equity \$
Balance as at 1 July 2016		156,871	-	
Profit for the year		12,356	-	
Closing balance as at 30 June 2017		169,227	-	
Profit for the year		27,655	-	
Closing balance as at 30 June 2018		196,882	-	

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

Industrial Staff Union, PSA of NSW
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CASH FLOW STATEMENT
for the year ended 30 June 2018

	Notes	2018 \$	2017 \$
OPERATING ACTIVITIES			
Cash received			
Other		38,472	44,882
Cash used			
Suppliers		12,141	32,526
Net cash from (used by) operating activities	8A	26,331	12,356
FINANCING ACTIVITIES			
Cash received			
Transfer of cash from state Industrial Staff Union		-	-
Net cash from (used by) financing activities		-	-
Net increase (decrease) in cash held		26,331	-
Cash & cash equivalents at the beginning of the reporting period		169,227	156,871
Cash & cash equivalents at the end of the reporting period	5A	195,558	169,227

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

Industrial Staff Union, PSA of NSW
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For the Year Ended 30 June 2018

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Industrial Staff Union, PSA of NSW

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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 Industrial Staff Union – PSA of NSW 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 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

No accounting assumption or estimate has been identified that has a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

1.4 New Australian Accounting Standards

Adoption of New Australian Accounting Standard requirements

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

Future Australian Accounting Standards Requirements

No new standard, amendment to standards or interpretations that were issued prior to the sign-off date and are applicable to future reporting periods are expected to have a future financial impact on Industrial Staff Union – PSA of NSW.

1.5 Revenue

Revenue is measured at the fair value of the consideration received or receivable.

Revenue from subscriptions is accounted for on an accrual basis and is recorded as revenue in the year to which it relates.

Revenue from the sale of goods is recognised when, the risks and rewards of ownership have been transferred to the buyer, the entity retains no managerial involvement or effective control over the goods, the revenue and transaction costs incurred can be reliably measured, and it is probable that the economic benefits associated with the transaction will flow to the entity.

Industrial Staff Union, PSA of NSW

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Note 1 Summary of significant accounting policies (continued)

Donation income is recognised when it is received.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

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

Rental revenue from operating leases is recognised on a straight-line basis over the term of the relevant lease.

1.6 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.

1.7 Financial instruments

Financial assets and financial liabilities are recognised when the Industrial Staff Union – PSA of NSW becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

1.8 Taxation

The Industrial Staff Union – PSA of NSW 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). The entity is not registered for 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.

Industrial Staff Union, PSA of NSW
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Note 1 Summary of significant accounting policies (continued)

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

There were no acquisitions of assets and or liabilities during the year.

1.10 Going concern

The Industrial Staff Union – PSA of NSW is not reliant on the agreed financial support of another reporting unit to continue on a going concern basis.

The Industrial Staff Union – PSA of NSW has not agreed to provide financial support to another reporting unit to ensure they can continue on a going concern basis.

Industrial Staff Union, PSA of NSW

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Note 2 Events after the reporting period

There were no events that occurred after 30 June 2018, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of Industrial Staff Union – PSA of NSW.

	2018	2017
	\$	\$
Note 3 Income		
Note 3A: Capitation fees*		
	-	-
Total capitation fees	<u>-</u>	<u>-</u>
Note 3B: Levies*		
	-	-
Total levies	<u>-</u>	<u>-</u>
Note 3C: Grants or donations*		
Grants	-	-
Donations	-	-
Total grants or donations	<u>-</u>	<u>-</u>

*As required by the Reporting Guidelines. Item to remain even if 'nil'.

Industrial Staff Union, PSA of NSW
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	2018	2017
	\$	\$
Note 4 Expenses		
Note 4A: Employee expenses*		
Holders of office:		
Wages and salaries	-	-
Superannuation	-	-
Leave and other entitlements	-	-
Separation and redundancies	-	-
Other employee expenses	-	-
Subtotal employee expenses holders of office	<u>-</u>	<u>-</u>
Employees other than office holders:		
Wages and salaries	-	-
Superannuation	-	-
Leave and other entitlements	-	-
Separation and redundancies	-	-
Other employee expenses	-	-
Subtotal employee expenses employees other than office holders	<u>-</u>	<u>-</u>
Total employee expenses	<u>-</u>	<u>-</u>
Note 4B: Capitation fees*		
Total capitation fees	<u>-</u>	<u>-</u>
Note 4C: Affiliation fees*		
Union NSW	-	79
Australian Labor Party NSW	445	-
Total affiliation fees/subscriptions	<u>445</u>	<u>79</u>
Note 4D: Administration expenses		
Consideration to employers for payroll deductions*	-	-
Compulsory levies*	-	-
Fees/allowances - meeting and conferences*	-	-
Conference and meeting expenses*	-	-
Total administration expenses	<u>-</u>	<u>-</u>

Industrial Staff Union, PSA of NSW
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	2018	2017
	\$	\$
Note 4E: Grants or donations*		
Grants:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Donations:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	7,000	3,000
Total grants or donations	7,000	3,000

Note 4F: Legal costs*

Litigation	-	-
Other legal matters	982	8,306
Total legal costs	982	8,306

Note 4G: Remuneration of Auditors

Value of the services provided

Industrial Staff Union

2013 to 2016 – Audit Fees	-	7,260
2013 to 2016 – Other Services	-	7,700

Industrial Staff Union, PSA of NSW

2015 to 2016 – Audit Fees	-	2,860
2015 to 2016 – Other Services	-	1,760
2016 to 2017 – Audit Fees	2,200	-
2016 to 2017 – Other Services	2,140	-

Total remuneration of auditors	4,340	19,580
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Note 4H: Other expenses

Penalties - via RO Act or RO Regulations*	-	-
Insurance – Travel	1,141	1,141
MYOB	-	420
Total other expenses	1,141	1,561

Industrial Staff Union, PSA of NSW
ABN 65 903 110 044

2018 2017
 \$ \$

Note 5 Current Assets

Note 5A: Cash and Cash Equivalents

Cash at bank	195,558	169,227
Cash on hand	-	-
Total cash and cash equivalents	195,558	169,227

Note 5B: Trade and Other Receivables

Receivables from other reporting units*	-	-
Less provision for doubtful debts*	-	-
Receivable from other reporting units (net)	-	-

Other receivables:

Other trade receivables	4,024	-
Total other receivables	4,024	-
Total trade and other receivables (net)	4,024	-

Note 6 Current Liabilities

Note 6A: Trade payables

Payables to other reporting units*	-	-
Total trade payables	-	-

Settlement is usually made within 30 days.

Note 6B: Other payables

Consideration to employers for payroll deductions*	-	-
Legal costs*		
Litigation	-	-
Other legal matters	-	-
Total other payables	-	-

Total other payables are expected to be settled in:

No more than 12 months	2,700	-
More than 12 months	-	-
Total other payables	2,700	-

Industrial Staff Union, PSA of NSW
ABN 65 903 110 044

2018 2017
 \$ \$

Note 7 Cash Flow

Note 7A: Cash Flow Reconciliation

Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement:

Cash and cash equivalents as per:

Cash flow statement	195,558	169,227
Balance sheet	195,558	169,227
<i>Difference</i>	-	-

Reconciliation of profit/(deficit) to net cash from operating activities:

Operating Activities

Profit/(deficit) for the year	27,655	12,356
Adjustments for non-cash items:	-	-
Changes in assets/liabilities:	-	-
(Increase) / Decrease in Receivables	(4,024)	-
Increase / (Decrease) in Creditors	2,700	-
Net cash from (used by) operating activities	26,331	12,356

Note 8 Related Party Disclosures

There were no related party transactions.

Note 9 Financial Instruments

Note 9A: Categories of Financial Instruments

Financial Assets

Cash and cash equivalents	195,558	169,227
Total	195,558	169,227
<i>Carrying amount of financial assets</i>	195,558	169,227

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Note 10 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 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).

Industrial Staff Union, PSA of NSW

ABN 65 903 110 044

Independent Audit Report

To the members of the Industrial Staff Union – PSA of NSW

Opinion

I have audited the financial report of Industrial Staff Union – PSA of NSW (the Reporting Unit), which comprises the statement of financial position as at 30 June 2018, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended 30 June 2018, 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 **Industrial Staff Union – PSA of NSW** as at 30 June 2018, and its financial performance and its cash flows for the year 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 Reporting Unit 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 Reporting Unit 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.

Industrial Staff Union, PSA of NSW

ABN 65 903 110 044

Responsibilities of Committee of Management for the Financial Report

The Committee of Management of the Reporting Unit 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 Reporting Unit'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 Reporting Unit 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 Reporting Unit'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 Reporting Unit'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 Reporting Unit 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.

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- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Reporting Unit to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the Reporting Unit 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.

SIGNED AT SYDNEY this 8th Day of November 2018



LOI KAH TSIA, B. Com., F.C.A.
Chartered Accountant
Registered Company Auditor
Suite 201, 2nd Floor
309 Pitt Street
SYDNEY NSW 2000

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AUDITOR'S STATEMENT

- (a) In my opinion, the GPFR of the Industrial Staff Union – PSA of NSW is presented fairly in accordance with the Australian Accounting Standards;
- (b) In relation to recovery of wages activity and based on representations made to me by the Industrial Staff Union – PSA of NSW and the audit work undertaken for the year ended 30th June 2018, it appears that there were no recovery of wages activity for the year then ended;
- (c) That as part of the audit of the financial statements I have concluded that management's use of the going concern basis of accounting in the preparation of the reporting entity's financial statements is appropriate; and
- (d) Also declared that:
 - (i) I am an approved auditor registered as company auditor with ASIC. My auditor registration number is 3245;
 - (ii) I am a member of my firm L K Tsia Chartered Accountant;
 - (iii) I am a member of the Chartered Accountants Australia and New Zealand, FCA with the registration number 17835; and
 - (iv) I hold a current practising certificate issued to me by the Chartered Accountants Australia and New Zealand.

SIGNED AT SYDNEY this this 8th day of November 2018



LOI KAH TSIA, B. Com., F.C.A.
Chartered Accountant
Registered Company Auditor
Suite 201, 2nd Floor
309 Pitt Street
SYDNEY NSW 2000