



22 January 2021

Chris Bird  
Secretary  
Industrial Staff Union – PSA of NSW

Dear Chris Bird

**Re: – Financial reporting – Industrial Staff Union – PSA of NSW – for year ending 30 June 2020 (FR2020/241)**

I refer to the financial report of the Industrial Staff Union-PSA of NSW in respect of the year ending 30 June 2020. The documents were lodged with the Registered Organisations Commission ('the ROC') on 15 December 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.

You are not required to take any further action in respect of the report lodged. Please note the report for year ending 30 June 2021 may be subject to an advanced compliance review.

#### 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

A handwritten signature in black ink that reads "Stephen Kellett". The signature is written in a cursive style with a long horizontal stroke extending to the right.

Stephen Kellett  
Financial Reporting  
Registered Organisations Commission

**INDUSTRIAL STAFF UNION, PSA OF NSW  
ABN 65 903 110 044**

**FINANCIAL STATEMENTS 2019 – 2020**

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# *L. K. Tsia*

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## **INDEPENDENT AUDIT REPORT**

To the Members of the Industrial Staff Union, PSA of NSW

Report on the Audit of the Financial Report

### **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 2020, the statement of 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 Industrial Staff Union – PSA of NSW as at 30 June 2020, 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.

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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 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.

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- 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.
- 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 12th Day of November 2020**



**LOI KAH TSIA, B.Com., F.C.A.**  
Chartered Accountant  
RO Act Registered Audit Number (AA2017/6)  
Suite 201, Level 2  
309 Pitt Street  
SYDNEY NSW 2000

s.268 Fair Work (Registered Organisations) Act 2009

**CERTIFICATE BY PRESCRIBED OFFICER**

*Certificate for the year ended 30 June 2020*

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 period ended 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 the *12<sup>th</sup>* day of November 2020; and
- that the full report was presented to a general meeting of the reporting unit on the *14<sup>th</sup>* day of December 2020 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: *14<sup>th</sup>* Day of December 2020

**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.

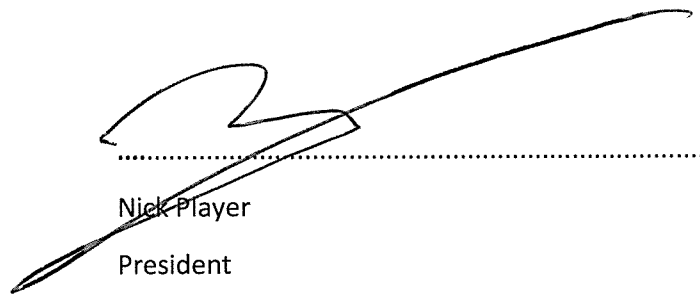
<b>Categories of expenditures</b>	<b>2020 (\$)</b>	<b>2019 (\$)</b>
Remuneration and other employment-related costs and expenses – employees	-	-
Advertising	-	-
Operating costs	<b>9,270</b>	6,913
Donations to political parties	<b>1,950</b>	8,950
Legal costs	4,356	-

Signature of designated officer:

Name of designated officer:

Title of designated officer:

Dated:

  
.....  
Nick Player  
President  
11th Day of November 2020

## **OPERATING REPORT**

The committee of management presents its operating report on the reporting unit for the year ended 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 principle activity of the Industrial Staff Union, PSA of NSW was the representation and support of the members of the Industrial Staff Union, PSA of NSW. 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, PSA of NSW 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 trustee(s) (include position details) or director of a company that is a superannuation fund trustee where being a member or officer of a registered organisation is a criterion for them holding such position**

Nil

### **Number of members**

The number of members as at 30 June 2020 was 89.

### **Number of employees**

Nil

### **Names of committee of management members and period positions held during the financial year**

Nick Player	President	1 July 2019 to 30 June 2020
Phoebe Dangerfield	Vice President	1 July 2019 to 30 June 2020
Jen Mitchell	Secretary	1 July 2019 to 23 August 2019
Chris Bird	Secretary	24 August 2019 to 30 June 2020
Michelle Mackintosh	Assistant Secretary	1 July 2019 to 30 June 2020
Roland Harris	Treasurer	1 July 2019 to 30 June 2020

Signature of designated officer: .....

Name and title of designated officer: Nick Player, President

Dated: 11th Day of November 2020



**COMMITTEE OF MANAGEMENT STATEMENT**  
*for the year ended 30 June 2020*

On the 10th Day of November 2020 the Management Committee of the Industrial Staff Union, PSA of NSW passed the following resolution in relation to the general purpose financial report (**GPFR**) for the year ended 30 June 2020:

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 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 the Commissioner duly made under section 272 of the RO Act, that information has been provided to the member or the Commissioner; and
  - vi. where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.

This declaration is made in accordance with a resolution of the committee of management.

Signature of designated officer:  .....

Name and title of designated officer: Nick Player, President

Dated: 10th Day of November 2020

**STATEMENT OF COMPREHENSIVE INCOME**

*for the year ended 30 June 2020*

	Notes	2020	2019
		\$	\$
<b>Revenue from contracts with customers</b>	3		
Membership subscriptions		43,168	41,668
Capitation fees and other revenue from another reporting unit	3A	-	-
Levies	3B	-	-
Other sales of goods or services to members		-	-
<b>Total revenue from contracts with customers</b>		<b>43,168</b>	<b>41,668</b>
<b>Income for furthering objectives</b>	3		
Grants and/or donations	3C	-	-
Income recognised from transfers	3D	-	-
<b>Total income for furthering objectives</b>		<b>-</b>	<b>-</b>
<b>Other Income</b>			
Net gains from sale of assets	3E	-	-
Revenue from recovery of wages activity	3F	-	-
Investment income	3G	234	203
Rental income	3H	-	-
Other income	3I	-	-
<b>Total other income</b>		<b>234</b>	<b>203</b>
<b>Total income</b>		<b>43,402</b>	<b>41,871</b>
<b>Expenses</b>			
Employee expenses	4A	-	-
Capitation fees and other expense to another reporting unit	4B	-	-
Affiliation fees	4C	1,900	854
Administration expenses	4D	-	-
Grants or donations	4E	1,950	8,950
Depreciation and amortisation	4F	-	-
Finance costs	4G	-	-
Legal costs	4H	4,356	-
Write-down and impairment of assets	4I	-	-
Net losses from sale of assets	4J	-	-
Staff training	4K	840	-
Other expenses	4L	2,185	1,681
Audit fees	10	4,345	4,378
<b>Total expenses</b>		<b>15,576</b>	<b>15,863</b>
<b>Surplus (deficit) for the year</b>		<b>27,826</b>	<b>26,008</b>

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

**STATEMENT OF FINANCIAL POSITION**

*as at 30 June 2020*

	Notes	2020 \$	2019 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	5A	250,716	222,890
Trade and other receivables	5B	-	-
Other current assets		-	-
<b>Total current assets</b>		<b>250,716</b>	<b>222,890</b>
<b>Non-current Assets</b>			
Property, Plant and equipment		-	-
Investment property		-	-
Intangibles		-	-
Investments in associates		-	-
Right-of-use assets		-	-
Other financial assets		-	-
Other non-current assets		-	-
<b>Total non-current assets</b>		<b>-</b>	<b>-</b>
<b>Total assets</b>		<b>250,716</b>	<b>222,890</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade payables	6A	-	-
Other payables	6B	-	-
Employee provisions	7	-	-
Other current liabilities		-	-
<b>Total current liabilities</b>		<b>-</b>	<b>-</b>
<b>Non-current Liabilities</b>			
Employee provisions	7	-	-
Other non-current liabilities		-	-
<b>Total non-current liabilities</b>		<b>-</b>	<b>-</b>
<b>Total liabilities</b>		<b>-</b>	<b>-</b>
<b>Net assets</b>		<b>250,716</b>	<b>222,890</b>

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

**INDUSTRIAL STAFF UNION, PSA OF NSW**  
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**STATEMENT OF EQUITY**

*As At 30 June 2020*

		<b>2020</b>	2019
	Notes	\$	\$
EQUITY			
General funds	8A		
Reserves	8A	-	-
Retained earnings (accumulated deficit)		<b>250,716</b>	222,890
<b>Total equity</b>		<b>250,716</b>	222,890

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

**STATEMENT OF CHANGES IN EQUITY**

*for the year ended 30 June 2020*

	Notes	General reserves \$	Retained earnings \$	Total equity \$
<b>Balance as at 1 July 2018</b>		-	196,882	196,882
Adjustment for errors		-	-	-
Adjustment for changes in accounting policies		-	-	-
Surplus / (deficit)		-	26,008	26,008
Other comprehensive income		-	-	-
Transfer to/from compulsory levy / voluntary contribution fund	8A	-	-	-
Transfer from retained earnings		-	-	-
<b>Closing balance as at 30 June 2019</b>		-	<b>222,890</b>	<b>222,890</b>
Effect of adoption of AASB 15 Revenue from Contracts with Customers		-	-	-
Effect of adoption of AASB 1058 Income of Not-for-Profit Entities		-	-	-
Effect of adoption of AASB 16 <i>Leases</i>		-	-	-
<b>Adjusted balance as at 1 July 2019</b>		-	<b>222,890</b>	<b>222,890</b>
Adjustment for errors		-	-	-
Surplus / (deficit)		-	27,826	27,826
Other comprehensive income		-	-	-
Transfer to/from compulsory levy / voluntary contribution fund	8A	-	-	-
Transfer from retained earnings		-	-	-
<b>Closing balance as at 30 June 2020</b>		-	<b>250,716</b>	<b>250,716</b>

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

**STATEMENT OF CASH FLOWS**

*for the year ended 30 June 2020*

	Notes	2020 \$	2019 \$
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Receipts from customers		43,402	45,895
Donations and grants		-	-
Receipts from other reporting unit/controlled entity(s)	9B	-	-
Interest		-	-
Other		-	-
<b>Cash used</b>			
Employees		-	-
Suppliers		15,576	18,563
Interest payments and other finance costs		-	-
Payment to other reporting units/controlled entity(s)	9B	-	-
<b>Net cash from (used by) operating activities</b>	9A	<b>27,826</b>	<b>27,332</b>
<b>INVESTING ACTIVITIES</b>			
<b>Cash received</b>			
Proceeds from sale of plant and equipment		-	-
Proceeds from sale of land and buildings		-	-
Other		-	-
<b>Cash used</b>			
Purchase of plant and equipment		-	-
Purchase of land and buildings		-	-
Other		-	-
<b>Net cash from (used by) investing activities</b>		<b>-</b>	<b>-</b>
<b>FINANCING ACTIVITIES</b>			
<b>Cash received</b>			
Contributed equity		-	-
Other		-	-
<b>Cash used</b>			
Repayment of borrowings		-	-
Repayment of lease liabilities		-	-
Other		-	-
<b>Net cash from (used by) financing activities</b>		<b>-</b>	<b>-</b>
<b>Net increase (decrease) in cash held</b>		<b>27,826</b>	<b>27,332</b>
Cash & cash equivalents at the beginning of the reporting period		222,890	195,558
<b>Cash &amp; cash equivalents at the end of the reporting period</b>	5A	<b>250,716</b>	<b>222,890</b>

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

## **INDEX TO THE NOTES OF THE FINANCIAL STATEMENTS**

**For the Year Ended 30 June 2020**

Note 1	Summary of significant accounting policies
Note 2	Events after the reporting period
Note 3	Revenue and income
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Note 5	Current assets
Note 6	Current liabilities
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Note 8	Equity
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Note 10	Remuneration of auditors
Note 11	Section 272 Fair Work (Registered Organisations) Act 2009

**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 (**RO Act**). 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.

**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



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### **ABN 65 903 110 044**

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 Industrial Staff Union, PSA of NSW. 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 adoption of AASB 15 and AASB 1058 did not have a material impact on the financial statements.

#### **Future Australian Accounting Standards Requirements**

New standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to future reporting periods that are expected to have a future financial impact on the Industrial Staff Union, PSA of NSW include:

#### **AASB 2020-1 – Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current**

This Standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. For example, the amendments clarify that a liability is classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period. This Standard applies to annual reporting periods beginning on or after 1 January 2022. Earlier application is permitted

#### **1.5 Investment in associates and joint arrangements**

The Industrial Staff Union, PSA of NSW 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 or revocation by the General Manager of the Fair Work Commission under subsections 245(1) or 249(1) of the RO Act.

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## **ABN 65 903 110 044**

### **1.6 Revenue**

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

- the arrangement is enforceable; and
- 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 Industrial Staff Union, PSA of NSW.

If there is only one distinct membership service promised in the arrangement, the Industrial Staff Union, PSA of NSW recognises revenue as the membership service is provided, which is typically based on the passage of time over the subscription period to reflect the Industrial Staff Union, PSA of NSW'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 Industrial Staff Union, PSA of NSW 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 Industrial Staff Union, PSA of NSW 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 Industrial Staff Union, PSA of NSW recognises revenue at the amount of the transaction price that was allocated to that performance obligation.

For member subscriptions paid annually in advance, the Industrial Staff Union, PSA of NSW 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.

## **INDUSTRIAL STAFF UNION, PSA OF NSW**

### **ABN 65 903 110 044**

When a member subsequently purchases additional goods or services from the Industrial Staff Union, PSA of NSW at their standalone selling price, the Industrial Staff Union, PSA of NSW accounts for those sales as a separate contract with a customer.

#### **Capitation fees**

Where the Industrial Staff Union, PSA of NSW arrangement with a branch or another reporting unit meets the criteria to be a contract with a customer, the Industrial Staff Union, PSA of NSW 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 Industrial Staff Union, PSA of NSW 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 Industrial Staff Union, PSA of NSW transfers the funds

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

#### **Income of the Industrial Staff Union, PSA of NSW as a Not-for-Profit Entity**

Consideration is received by the Industrial Staff Union, PSA of NSW to enable the entity to further its objectives. The Industrial Staff Union, PSA of NSW recognises each of these amounts of consideration as income when the consideration is received (which is when the Industrial Staff Union, PSA of NSW 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 Industrial Staff Union, PSA of NSW's recognition of the cash contribution does not give to any related liabilities.

#### **Volunteer services**

During the year, the Industrial Staff Union, PSA of NSW received volunteer services. In those circumstances where the fair value of the volunteer services can be measured reliably, the Industrial Staff Union, PSA of NSW 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.

During the year, the Industrial Staff Union, PSA of NSW did not recognise any volunteer services as revenue because it could not reliably measure the fair value of those services.

#### **Income recognised from transfers**

Where, as part of an enforceable agreement, the Industrial Staff Union, PSA of NSW receives consideration to acquire or construct a non-financial asset such as property, plant and equipment to an identified specification and for the Industrial Staff Union, PSA of NSW'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 income is recognised on an accrual basis using the effective interest method.

### **1.7 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 statement of financial position.

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**1.8 Financial instruments**

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

**1.9 Contingent liabilities and contingent assets**

Contingent liabilities and contingent assets 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.

The Industrial Staff Union, PSA of NSW has no contingent liabilities and contingent assets.

**1.10 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**) 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 statement of cash flows 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.

**1.11 Going concern**

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.

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.

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**Note 2 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 Industrial Staff Union, PSA of NSW 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 Industrial Staff Union, PSA of NSW. 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 Industrial Staff Union, PSA of NSW, the results of those operations, or the state of affairs of the Industrial Staff Union, PSA of NSW in subsequent financial periods.

**Note 3 Revenue and income**

**Disaggregation of revenue from contracts with customers**

A disaggregation of the Industrial Staff Union, PSA of NSW's revenue by type of arrangements is provided on the face of the Statement of comprehensive income. The table below also sets out a disaggregation of revenue by type of customer.

	<b>2020</b>	2019
	\$	\$
<b>Type of customer</b>		
Members	<b>43,168</b>	41,668
Other reporting units	-	-
Government	-	-
Other parties	-	-
<b>Total revenue from contracts with customers</b>	<b>43,168</b>	41,668

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**Disaggregation of income for furthering activities**

A disaggregation of the Industrial Staff Union, PSA of NSW's income by type of arrangement is provided on the face of the Statement of comprehensive income. The table below also sets out a disaggregation of income by funding source:

	<b>2020</b>	2019
	<b>\$</b>	<b>\$</b>
<b>Income funding sources</b>		
Members	-	-
Other reporting units	-	-
Government	-	-
Other parties	-	-
<b>Total income for furthering activities</b>	<u>-</u>	<u>-</u>

**Note 3A: Capitation fees and other revenue from another reporting unit**

**Capitation fees:**

Capitation fees	-	-
<b>Subtotal capitation fees</b>	<u>-</u>	<u>-</u>

**Other revenue from another reporting unit:**

Other revenue from another reporting unit	-	-
<b>Subtotal other revenue from another reporting unit</b>	<u>-</u>	<u>-</u>
<b>Total capitation fees and other revenue from another reporting unit</b>	<u>-</u>	<u>-</u>

**Note 3B: Levies**

Compulsory and voluntary levies	-	-
<b>Total levies</b>	<u>-</u>	<u>-</u>

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**Note 3C: Grants and/or donations**

	2020	2019
	\$	\$
Grants	-	-
Donations	-	-
<b>Total grants and donations</b>	<u>-</u>	<u>-</u>

**Note 3D: Income recognised from transfers to enable Industrial Staff Union, PSA of NSW to acquire or construct a recognisable non-financial asset to be controlled by Industrial Staff Union, PSA of NSW**

Amount recognised from financial asset transfers	-	-
<b>Total income recognised from transfers</b>	<u>-</u>	<u>-</u>

**Note 3E: Net gains from sale of assets**

Land and buildings	-	-
Plant and equipment	-	-
Intangibles	-	-
Other	-	-
<b>Total net gain from sale of assets</b>	<u>-</u>	<u>-</u>

**Note 3F: Revenue from recovery of wages activity**

Amounts recovered from employers in respect of wages	-	-
Interest received on recovered money	-	-
<b>Total revenue from recovery of wages activity</b>	<u>-</u>	<u>-</u>



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**Note 3G: Investment income**

	<b>2020</b>	2019
	<b>\$</b>	\$
Interest on deposits	<b>234</b>	203
Loans	-	-
Debt instruments at fair value through OCI	-	-
Dividends	-	-
<b>Total investment income</b>	<b>-</b>	-

**Note 3H: Rental income**

Properties	-	-
<b>Total rental income</b>	<b>-</b>	-

**Note 3I: Other income**

Other income	-	-
<b>Total revenue from other income</b>	<b>-</b>	-

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	2020	2019
	\$	\$
<b>Note 4 Expenses</b>		
<b>Note 4A: Employee expenses</b>		
<b>Holders of office:</b>		
Wages and salaries	-	-
Superannuation	-	-
Leave and other entitlements	-	-
Separation and redundancies	-	-
Other employee expenses	-	-
<b>Subtotal employee expenses holders of office</b>	-	-
<b>Employees other than office holders:</b>		
Wages and salaries	-	-
Superannuation	-	-
Leave and other entitlements	-	-
Separation and redundancies	-	-
Other employee expenses	-	-
<b>Subtotal employee expenses employees other than office holders</b>	-	-
<b>Total employee expenses</b>	-	-

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**Note 4B: Capitation fees and other expense to another reporting unit**

**Capitation fees**

	<b>2020</b>	2019
	\$	\$
Capitation fees	-	-
<b>Subtotal capitation fees</b>	<u>-</u>	<u>-</u>

**Other expense to another reporting unit**

Other expense to another reporting unit	-	-
<b>Subtotal other expense to another reporting unit</b>	<u>-</u>	<u>-</u>
<b>Total capitation fees and other expense to another reporting unit</b>	<u>-</u>	<u>-</u>

**Note 4C: Affiliation fees**

UnionsNSW	<b>987</b>	-
Australian Labor Party NSW	<b>474</b>	-
Workers Health Centre	<b>439</b>	854
<b>Total affiliation fees/subscriptions</b>	<u><b>1,900</b></u>	<u>854</u>

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**Note 4D: Administration expenses**

	2020	2019
	\$	\$
Total paid to employers for payroll deductions of membership subscriptions	-	-
Compulsory levies	-	-
Fees/allowances - meeting and conferences	-	-
Conference and meeting expenses	-	-
Contractors/consultants	-	-
Property expenses	-	-
Office expenses	-	-
Information communications technology	-	-
Other	-	-
<b>Subtotal administration expense</b>	<b>-</b>	<b>-</b>
Operating lease rentals:		
Minimum lease payments	-	-
<b>Total administration expenses</b>	<b>-</b>	<b>-</b>

**Note 4E: Grants or donations**

Grants:

Total expensed that were \$1,000 or less	-	-
Total expensed that exceeded \$1,000	-	-

Donations:

Total expensed that were \$1,000 or less	<b>1,950</b>	1,450
Total expensed that exceeded \$1,000	-	7,500
<b>Total grants or donations</b>	<b>1,950</b>	<b>8,950</b>

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**Note 4F: Depreciation and amortisation**

Depreciation	<b>2020</b>	2019
	\$	\$
Depreciation	-	-
Land & buildings	-	-
Property, plant and equipment	-	-
<b>Total depreciation</b>	-	-
Amortisation		
Intangibles	-	-
<b>Total amortisation</b>	-	-
<b>Total depreciation and amortisation</b>	-	-

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	2020	2019
	\$	\$
<b>Note 4G: Finance costs</b>		
Overdrafts/loans	-	-
Unwinding of discount	-	-
<b>Total finance costs</b>	<u>-</u>	<u>-</u>

**Note 4H: Legal costs**

Litigation	-	-
Other legal costs	4,356	-
<b>Total legal costs</b>	<u>4,356</u>	<u>-</u>

**Note 4I: Write-down and impairment of assets**

Asset write-downs and impairments of:

Land and buildings	-	-
Plant and equipment	-	-
Intangible assets	-	-
Other	-	-
<b>Total write-down and impairment of assets</b>	<u>-</u>	<u>-</u>

**Note 4J: Net losses from sale of assets**

Land and buildings	-	-
Plant and equipment	-	-
Intangibles	-	-
<b>Total net losses from asset sales</b>	<u>-</u>	<u>-</u>

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**Note 4K: Staff training**

	<b>2020</b>	2019
	\$	\$
Staff training	<b>840</b>	200
<b>Total other expenses</b>	<b>840</b>	200

**Note 4L: Other expenses**

Penalties - via RO Act or the Fair Work Act 2009	-	-
Catering	-	315
Flowers	-	39
Insurance – Travel	<b>1,127</b>	1,127
Subscriptions	<b>333</b>	-
Travel expenses	<b>725</b>	-
<b>Total other expenses</b>	<b>2,185</b>	1,681

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	2020	2019
	\$	\$
<b>Note 5 Current Assets</b>		
<b>Note 5A: Cash and cash equivalents</b>		
Cash at bank	250,716	222,890
Cash on hand	-	-
Short term deposits	-	-
Other	-	-
<b>Total cash and cash equivalents</b>	<b>250,716</b>	<b>222,890</b>
<b>Note 5B: Trade and other receivables</b>		
<b>Receivables from other reporting unit</b>		
Receivables from other reporting unit	-	-
<b>Total receivables from other reporting unit</b>	<b>-</b>	<b>-</b>
<b>Less allowance for expected credit losses</b>		
Allowance for expected credit losses	-	-
<b>Total allowance for expected credit losses</b>	<b>-</b>	<b>-</b>
<b>Receivable from other reporting unit (net)</b>	<b>-</b>	<b>-</b>
<b>Other receivables:</b>		
GST receivable	-	-
Other	-	-
<b>Total other receivables</b>	<b>-</b>	<b>-</b>
<b>Total trade and other receivables (net)</b>	<b>-</b>	<b>-</b>



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The movement in the allowance for expected credit losses of trade and other receivables is as follows:

	<b>2020</b>	2019
	<b>\$</b>	<b>\$</b>
At 1 July 2019	-	-
Provision for expected credit losses	-	-
Write-off	-	-
<b>At 30 June 2020</b>	<b>-</b>	<b>-</b>

The Industrial Staff Union, PSA of NSW has recognised the following assets and liabilities related to contracts with customers:

Receivables	-	-
<b>Receivables - current</b>	<b>-</b>	<b>-</b>
<b>Receivables – non-current</b>	<b>-</b>	<b>-</b>
Contract assets	-	-
Contract assets - current	-	-
Contract assets – non-current	-	-
Other contract liabilities	-	-
Contract liabilities - current	-	-
Contract liabilities – non-current	-	-

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	2020	2019
	\$	\$
<b>Note 6 Current Liabilities</b>		
<b>Note 6A: Trade payables</b>		
Trade creditors and accruals	-	-
Operating lease rentals	-	-
<b>Subtotal trade creditors</b>	<b>-</b>	<b>-</b>
<b>Payables to other reporting unit</b>		
Payables to other reporting unit	-	-
<b>Subtotal payables to other reporting unit</b>	<b>-</b>	<b>-</b>
<b>Total trade payables</b>	<b>-</b>	<b>-</b>
<i>Settlement is usually made within 30 days.</i>		
<b>Note 6B: Other payables</b>		
Wages and salaries	-	-
Superannuation	-	-
Payable to employers for making payroll deductions of membership subscriptions	-	-
Legal costs		
Litigation	-	-
Other legal costs	-	-
GST payable	-	-
Other	-	-
<b>Total other payables</b>	<b>-</b>	<b>-</b>
Total other payables are expected to be settled in:		
No more than 12 months	-	-
More than 12 months	-	-
<b>Total other payables</b>	<b>-</b>	<b>-</b>

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	2020	2019
	\$	\$
<b>Note 7: Employee provisions</b>		
<b>Office holders:</b>		
Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-
<b>Subtotal employee provisions—office holders</b>	-	-
<b>Employees other than office holders:</b>		
Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-
<b>Subtotal employee provisions—employees other than office holders</b>	-	-
<b>Total employee provisions</b>	-	-
Current	-	-
Non-current	-	-
<b>Total employee provisions</b>	-	-

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	2020	2019
	\$	\$
<b>Note 8 Equity</b>		
<b>Note 8A: General funds</b>		
General reserve		
<b>Balance as at start of year</b>	-	-
Transferred to reserve	-	-
Transferred out of reserve	-	-
<b>Balance as at end of year</b>	-	-
<b>Total reserves</b>	-	-

**Note 8B: Other specific disclosures - funds**

**Compulsory levy/voluntary contribution  
fund – if invested in assets**

Compulsory levy/voluntary contribution fund	-	-
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**Other fund(s) required by rules**

Other fund(s) required by rules		
<b>Balance as at start of year</b>	-	-
Transferred to reserve	-	-
Transferred out of reserve	-	-
<b>Balance as at end of year</b>	-	-

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	2020	2019
	\$	\$
<b>Note 9 Cash Flow</b>		
<b>Note 9A: Cash flow reconciliation</b>		
<b>Reconciliation of cash and cash equivalents as per balance sheet to cash flow statement:</b>		
<b>Cash and cash equivalents as per:</b>		
Cash flow statement	<b>250,716</b>	222,890
Balance sheet	<b>250,716</b>	222,890
<i><b>Difference</b></i>	<u>-</u>	<u>-</u>
<b>Reconciliation of profit/(deficit) to net cash from operating activities:</b>		
Profit/(deficit) for the year	<b>27,826</b>	26,008
<b>Adjustments for non-cash items</b>		
Depreciation/amortisation	-	-
Net write-down of non-financial assets	-	-
Fair value movements in investment property	-	-
Gain on disposal of assets	-	-
<b>Changes in assets/liabilities</b>		
(Increase)/decrease in net receivables	-	-
(Increase)/decrease in prepayments	-	-
Increase/(decrease) in supplier payables	-	-
Increase/(decrease) in other payables	-	-
Increase/(decrease) in employee provisions	-	-
Increase/(decrease) in other provisions	-	-
<b>Net cash from (used by) operating activities</b>	<u><b>27,826</b></u>	<u>26,008</u>

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**Note 9B: Cash flow information**

	<b>2020</b>	2019
	\$	\$
Cash inflows		
Other	<b>43,402</b>	45,895
<b>Total cash inflows</b>	<b>43,402</b>	45,895
Cash outflows		
Other	<b>15,576</b>	18,563
<b>Total cash outflows</b>	<b>15,576</b>	18,563

**Note 10      Remuneration of Auditors**

**Value of the services provided**

Financial statement audit services	<b>2,200</b>	2,200
Other services	<b>2,145</b>	2,178
<b>Total remuneration of auditors</b>	<b>4,345</b>	4,378

**Note 11            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 Industrial Staff Union, PSA of NSW, or the Commissioner, may apply to the Industrial Staff Union, PSA of NSW for specified prescribed information in relation to the Industrial Staff Union, PSA of NSW 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 Industrial Staff Union, PSA of NSW.
3. A Industrial Staff Union, PSA of NSW must comply with an application made under subsection (1).

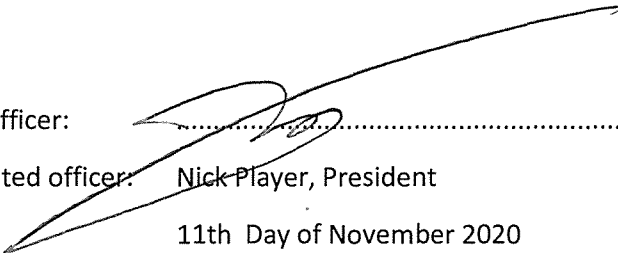
## OFFICER DECLARATION STATEMENT

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 2020.

The Industrial Staff Union, PSA of NSW did not:

- 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: 11th Day of November 2020



