

**COMMUNITY & PUBLIC SECTOR UNION
SPSF GROUP - FEDERAL COUNCIL**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30TH JUNE 2004**

Registered Address:

4TH FLOOR, 160 CLARENCE STREET
SYDNEY, NEW SOUTH WALES, 2000

Tel: (02) 9299 5655

Fax: (02) 9299 7181

Secretary:

David Carey

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**COMMUNITY AND PUBLIC SECTOR UNION
SPSF GROUP - FEDERAL COUNCIL**

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30TH JUNE 2004**

	Note	2004 \$	2003 \$
INCOME			
Capitation Fees & Subscriptions	5	1,404,575	1,376,543
Interest Received		61,736	37,440
Doubtful Debt Recovered		12,578	
Staff Secondment Income		4,283	8,172
Campaign Expenses Recovered		36,600	46,681
MUST Maintenance Income		59,436	-
Sundry Income		2,040	2,991
		1,581,248	1,471,827
LESS EXPENDITURE			
Accountancy & Audit Fees		9,550	8,750
Affiliation Fees - APHEDA		2,418	2,418
Affiliation Fees – PSI		54,083	23,754
Bank Charges		204	236
Campaign Expenses		139,437	36,153
Computer Expenses		3,177	6,162
Depreciation		30,161	34,756
Donations		29,500	7,455
Electricity		2,702	2,030
General Expenses		2,694	1,209
Insurance		4,252	4,082
Internet & Website Expenses		16,699	13,891
Legal Fees		4,283	41,078
Meetings & Conferences		9,973	11,627
MUST Maintenance Expenses		60,891	14,818
Payroll Tax		38,500	37,301
Postage & Freight		3,477	2,652
Printing & Stationery		5,577	4,326
Provision for Recreation Leave		15,598	12,413
Provision for Long Service Leave		11,436	14,041
Public Relations		32,636	25,685
Publications & Subscriptions		30,481	24,965
Records Management		4,644	4,017
Rent & Outgoings		63,906	63,616
Repairs, Maintenance & Replacements		3,812	447
Salaries & Wages - Officers		127,490	121,032
Salaries & Wages - Staff		438,518	426,427
Staff Amenities		1,501	380

The accompanying notes form part of these financial statements.

**COMMUNITY AND PUBLIC SECTOR UNION
SPSF GROUP - FEDERAL COUNCIL**

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30TH JUNE 2004**

	Note	2004 \$	2003 \$
Staff Training		3,496	950
Superannuation Contributions - Officers		35,234	32,969
Superannuation Contributions - Staff		66,924	66,003
Telephone		35,033	29,792
Travel & Accommodation		110,437	120,709
Workcover Levy		6,156	6,112
		<hr/>	<hr/>
		1,404,880	1,202,256
		<hr/>	<hr/>
SURPLUS/(DEFICIT) FOR YEAR		176,368	269,571
Accumulated Funds/(Deficiency) as at 1st July 2003		1,421,376	1,151,805
		<hr/>	<hr/>
ACCUMULATED FUNDS/(DEFICIENCY) AS AT 30TH JUNE 2004		1,597,744	1,421,376
		<hr/> <hr/>	<hr/> <hr/>

The accompanying notes form part of these financial statements.

**COMMUNITY AND PUBLIC SECTOR UNION
SPSF GROUP - FEDERAL COUNCIL**

**STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE 2004**

	2004	2003
	\$	\$
<u>MEMBERS' FUNDS</u>		
Accumulated Funds	1,597,744	1,421,376
	<hr/> <hr/>	<hr/> <hr/>
Represented by:		
<u>CURRENT ASSETS</u>		
Cash on Hand	290	100
Cash at Bank - Commonwealth Bank	127,745	338,357
Sundry Debtors - General	1,543	1,543
Sundry Debtors - Branches	71,220	52,178
Less: Provision for Doubtful Debts	39,600	52,178
	<hr/> 31,620	<hr/> NIL
Capitation Fees Owing	133,025	184,045
Loan - SPSF Pty Limited	800	600
Interest Receivable	6,799	11,872
Prepayments	51,211	24,184
<i>Total Current Assets</i>	<hr/> 353,033	<hr/> 560,701
<u>NON-CURRENT ASSETS</u>		
Office Furniture & Equipment	341,698	288,020
Less: Accumulated Depreciation	230,086	199,925
	<hr/> 111,612	<hr/> 88,095
Computer Project Equipment	72,988	72,988
Less: Accumulated Depreciation	72,988	72,988
	<hr/> -	<hr/> -
<i>Total Non-Current Assets</i>	<hr/> 111,612	<hr/> 88,095

The accompanying notes form part of these financial statements.

**COMMUNITY AND PUBLIC SECTOR UNION
SPSF GROUP - FEDERAL COUNCIL**

**STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE 2004**

	2004 \$	2003 \$
INVESTMENTS		
Cash Deposit Account	123,442	100,675
Term Deposits	1,286,927	900,000
<i>Total Investments</i>	<u>1,410,369</u>	<u>1,000,675</u>
TOTAL ASSETS	<u><u>1,875,014</u></u>	<u><u>1,649,471</u></u>
CURRENT LIABILITIES		
Sundry Creditors & Accruals - General	77,722	58,030
Sundry Creditors & Accruals - Branches	12,387	12,561
Legal Fees Payable	806	-
GST Collected	57,027	54,447
GST Paid	(13,943)	(13,179)
Provision for Recreation Leave - Officers	36,748	24,139
Provision for Recreation Leave - Staff	48,951	45,961
Provision for Long Service Leave - Staff	39,530	20,778
<i>Total Current Liabilities</i>	<u>259,228</u>	<u>202,737</u>
NON-CURRENT LIABILITIES		
Provision for Long Service Leave - Officers	12,705	9,108
Provision for Long Service Leave - Staff	5,337	16,250
<i>Total Non-Current Liabilities</i>	<u>18,042</u>	<u>25,358</u>
TOTAL LIABILITIES	<u>277,270</u>	<u>228,095</u>
NET ASSETS	<u><u>1,597,744</u></u>	<u><u>1,421,376</u></u>

The accompanying notes form part of these financial statements.

**COMMUNITY AND PUBLIC SECTOR UNION
SPSF GROUP - FEDERAL COUNCIL**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2004**

	NOTE	2004 \$	2003 \$
CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	6		
Receipts			
Capitation Fees & Subscriptions		1,455,595	1,293,557
Other Income		85,435	101,711
Receipts from other branches		82,501	-
GST Collected		90,397	656
		<u>1,713,928</u>	<u>1,395,924</u>
Payments			
Salaries & Related Payments		(717,845)	(683,991)
Legal Fees		(3,550)	(32,814)
Travel & Accommodation Expenses		(60,274)	(112,790)
Other Expenditure		(482,224)	(283,110)
Payments to other branches		(120,678)	-
GST Paid		(89,728)	(1,005)
		<u> </u>	<u> </u>
Net Cash Provided By/(Used In) Operating Activities		239,629	282,214
CASH INFLOW/(OUTFLOW) FROM NON-OPERATING ACTIVITIES			
Purchase of Plant & Equipment, Furniture & Fittings		(40,157)	(22,440)
Purchase of Commercial Bills, Term Deposits etc.		(409,694)	(277,843)
Sundry loans made		(200)	(200)
Proceeds from Disposal of Plant & Equipment		-	3,151
		<u> </u>	<u> </u>
Net Cash Provided By/(Used In) Non - Operating Activities		(450,051)	(297,332)
Net Increase/(Decrease) in Cash Held		(210,422)	(15,118)
Add: Cash Held at 1st July 2003		338,457	353,575
		<u> </u>	<u> </u>
CASH HELD AS AT 30TH JUNE 2004		128,035	338,457
		<u> </u>	<u> </u>
REPRESENTED BY:			
Cash on Hand		290	100
Cash at Bank - Commonwealth Bank		127,745	338,357
		<u> </u>	<u> </u>
		128,035	338,457
		<u> </u>	<u> </u>

The accompanying notes form part of these financial statements.

**COMMUNITY AND PUBLIC SECTOR UNION
SPSF GROUP - FEDERAL COUNCIL**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2004**

1. STATEMENT OF ACCOUNTING POLICIES

The report is a general purpose financial report that has been prepared in accordance with the Australian Accounting Standards including the disclosure requirements of the Workplace Relations Act 1996.

The following is a summary of significant accounting policies adopted by the Union in the preparation of the financial report which, unless otherwise stated, have been consistently applied:-

(a) Basis of Accounting

The financial report has been prepared on the basis of historical costs and does not take into account changing money values or, except where otherwise stated, current valuations of non-current assets.

All income and expenditure of the Union has been brought to account on an accruals basis of accounting so as to match income for the period with the expenditure incurred in earning that income.

(b) Employee Entitlements

Provision has been made in the financial report for the Union's liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries, recreation leave and long service leave which will be settled after one year have been measured at their nominal amount. Other employee entitlements payable later than one year have been measured at their expected present value of the estimated future cash outflows to be made for those entitlements.

(c) Income Tax

No provision has been made in the financial report for income tax on the basis that the Union is exempt under Section 50-15 of the Income Tax Assessment Act 1997 (formerly Section 23(f) of the Income Tax Assessment Act 1936).

(d) Fixed Assets

Fixed assets are stated in the financial report at historical cost less, where applicable, any accumulated depreciation. The carrying amount of all fixed assets is reviewed annually by the Executive Committee to ensure the amount at which each asset is recorded in the books of the Union does not exceed its recoverable amount.

**COMMUNITY AND PUBLIC SECTOR UNION
SPSF GROUP - FEDERAL COUNCIL**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2004 (CONTINUED)**

(e) Comparatives

Where necessary, comparative information has been reclassified to achieve consistency in disclosure with changes in presentation in the current year.

2. WORKPLACE RELATIONS ACT 1996

In accordance with the requirements of the Workplace Relations Act 1996, the attention of members is drawn to the provisions of sub-sections (1), (2) and (3) of Section 272, which reads -

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

3. CONTINGENT LIABILITIES

The members of the Executive Committee are unaware of any contingent liability, the effect of which may be material in relation to the financial report.

4. EVENTS SUBSEQUENT TO BALANCE DATE

The Executive Committee is unaware of any events which have arisen subsequent to balance date, the effect of which may be material in relation to the financial report.

**COMMUNITY AND PUBLIC SECTOR UNION
SPSF GROUP - FEDERAL COUNCIL**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2004 (CONTINUED)**

5. CAPITATION FEES

	2004	2003
	\$	\$
New South Wales Branch	565,921	550,997
Queensland Branch	269,504	278,060
South Australia Branch	183,522	175,914
Tasmania Branch	58,361	59,179
Victoria Branch	161,852	148,017
West Australia Branch	165,415	164,376
	<u>1,404,575</u>	<u>1,376,543</u>

**6. RECONCILIATION OF CASH INFLOW/(OUTFLOW) FROM OPERATING
ACTIVITIES WITH OPERATING SURPLUS/(DEFICIT) FOR YEAR**

	2004	2003
	\$	\$
Operating Surplus/(Deficit) for Year	176,368	269,571
Add Back: Non Cash Flow Items		
Depreciation	30,161	34,756
Recreation Leave Accrued	15,598	12,413
Long Service Leave Accrued	11,436	14,041
Doubtful Debt Recovered	(12,578)	-
	<u>220,985</u>	<u>330,781</u>
Changes in Assets and Liabilities:		
(Increase)/Decrease in Capitation Fees Owing	51,020	(82,986)
(Increase)/Decrease in Sundry Debtors - Branches	(19,042)	196,217
(Increase)/Decrease in Interest Receivable	5,073	6,427
(Increase)/Decrease in Prepayments	(27,027)	(2,928)
(Increase)/Decrease in GST Paid	(764)	(1,737)
Increase/(Decrease) in Sundry Creditors and Accruals - General	6,344	(163,868)
Increase/(Decrease) in Sundry Creditors and Accruals - Branches	(346)	-
Increase/(Decrease) in Legal Fees Payable	806	-
Increase/(Decrease) in GST Collected	2,580	308
	<u>Net Cash Provided by/(Used in)</u>	<u></u>

Operating Activities

239,629

282,214

**COMMUNITY AND PUBLIC SECTOR UNION
SPSF GROUP - FEDERAL COUNCIL**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2004 (CONTINUED)**

7. RELATED PARTY DISCLOSURES

(i) The following persons have held office in the Union during the financial year:

FEDERAL COUNCIL

D. Carey	-	Federal Secretary
K. Batt	-	Federal President
M. O'Sullivan	-	Senior Federal Vice President
J. McMahon	-	Vice President
S. Strugnell	-	Vice President (Resigned 1/8/03)
T. Lynch	-	Vice President (Elected 21/8/03)
A. Scott	-	Vice President
T. Walkington	-	Vice President
E. Brady	-	New South Wales Branch Delegate
F. Nimmitt	-	New South Wales Branch Delegate
B. Webb	-	New South Wales Branch Delegate
S. Walsh	-	New South Wales Branch Delegate
G. Dennett	-	New South Wales Branch Delegate
L. Lewis	-	New South Wales Branch Delegate
J. Cahill	-	New South Wales Branch Delegate
D. McKellar	-	New South Wales Branch Delegate
M. O'Sullivan	-	New South Wales Branch Delegate
R. Pope	-	New South Wales Branch Delegate
D. Griffin	-	New South Wales Branch Delegate
J. Morris	-	Queensland Branch Delegate
A. Scott	-	Queensland Branch Delegate
B. McCreadie	-	Queensland Branch Delegate
L. Haigh	-	Queensland Branch Delegate
I. Trail	-	Queensland Branch Delegate
A. Clarke	-	Queensland Branch Delegate
V. Doogan	-	Queensland Branch Delegate
P. Gray	-	Queensland Branch Delegate
K. Goodall	-	Victoria Branch Delegate
P. Lilywhite	-	Victoria Branch Delegate
J. Mead	-	Victoria Branch Delegate
J. Walton	-	Victoria Branch Delegate
J. Haddaway	-	South Australia Branch Delegate
L. Oxlad	-	South Australia Branch Delegate

M. Warner	-	South Australia Branch Delegate
N. Kitchen	-	South Australia Branch Delegate

**COMMUNITY AND PUBLIC SECTOR UNION
SPSF GROUP - FEDERAL COUNCIL**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2004 (CONTINUED)**

7. RELATED PARTY DISCLOSURES (continued)

M. Armstrong	-	Western Australia Branch Delegate
B. Ellis	-	Western Australia Branch Delegate
D. Robertson	-	Western Australia Branch Delegate
T. Walkington	-	Western Australia Branch Delegate
J. Gaines	-	Western Australia Branch Delegate
T. Lynch	-	Tasmania Branch Delegate
P. Parks	-	Tasmania Branch Delegate (Resigned 31/12/03)
J. Punch	-	Tasmania Branch Delegate (Resigned 4/9/03)
B. Barr	-	Tasmania Branch Delegate (Elected 10/10/03)
L. Jones	-	Tasmania Branch Delegate (Elected 10/10/03)

FEDERAL EXECUTIVE

D. Carey	-	Federal Secretary
M. O'Sullivan	-	Vice President
S. Walsh	-	NSW Branch Delegate
A. Scott	-	Vice President
B. McCreadie	-	QLD Branch Delegate
K. Batt	-	Vice President
K. Goodall	-	VIC Branch Delegate
J. McMahan	-	Vice President
L. Oxlad	-	SA Branch Delegate
T. Walkington	-	Vice President
B. Ellis	-	WA Branch Delegate
S. Strugnell	-	Vice President (Resigned 1/8/03)
T. Lynch	-	Vice President (Elected 21/8/03)
P. Parks	-	TAS Branch Delegate (Resigned 31/12/03)
L. Jones	-	TAS Branch Delegate (Elected 1/1/04)

- (ii) The aggregate amount of remuneration paid to officers during the financial year is disclosed in the Statement of Financial Performance under "Salaries & Wages - Officers".

The aggregate amount paid during the financial year to a superannuation plan in connection with the retirement of officers is disclosed in the Statement of Financial Performance under "Superannuation - Officers".

- (iii) There were no other transactions between the officers of the Union other than those relating to their membership of the Union and the reimbursement by the Union in respect

of expenses incurred by them in the performance of their duties. Such transactions have been on conditions no more favourable than those which it is reasonable to expect would have been adopted by parties at arm's length.

NOTES

**COMMUNITY AND PUBLIC SECTOR UNION
SPSF GROUP – FEDERAL COUNCIL**

**OPERATING REPORT
FOR THE YEAR ENDED 30TH JUNE 2004**

In accordance with sec. 254 of the Workplace Relations Act 1996 (“the Act”), your Committee of Management report as follows:

Principal Activities

The principal activity of the Organisation during the year was that of a registered trade union. No significant change occurred in the nature of those activities during the year.

Operating Result

The operating result of the Organisation for the year ended 30th June 2004 was a surplus of \$176,368. No provision for tax was necessary as the Organisation is considered exempt.

Significant Changes

There was no significant change in the financial affairs of the Organisation during the year.

Rights of Members

Subject to the rules of the organisation and sec. 174 of the Act, members have the right to resign from membership of the Organisation by written notice addressed to and delivered to the Secretary of the Organisation.

Superannuation Office-holders

No officers and/or members of the Organisation are directors of companies that are trustees of superannuation funds which require one or more of their directors to be a member of a registered organisation.

Other Prescribed Information

In accordance with Regulation 159 of the Workplace Relations (Registration & Accountability of Organisations) Regulations –

- (a) the number of persons that were at the end of the financial year recorded in the register of members for sec. 230 of the RAO Schedule and who are taken to be members of the Organisation under sec. 244 of the RAO Schedule was 110,605;

**COMMUNITY AND PUBLIC SECTOR UNION
SPSF GROUP – FEDERAL COUNCIL**

**OPERATING REPORT
FOR THE YEAR ENDED 30TH JUNE 2004 (CONTINUED)**

Other Prescribed Information (continued)

- (b) the number of persons who were at the end of the financial year employees of the Organisation including both full-time and part-time employees measured on a full-time equivalent basis was 8;
- (c) the names of those who have been members of the Committee of Management of the Organisation at any time during the financial year and the periods for which he or she held office were –

Name:	Period:
D. Carey	1/7/03 to 30/6/04
M. O’Sullivan	1/7/03 to 30/6/04
S. Walsh	1/7/03 to 30/6/04
A. Scott	1/7/03 to 30/6/04
B. McCreddie	1/7/03 to 30/6/04
K. Batt	1/7/03 to 30/6/04
K. Goodall	1/7/03 to 30/6/04
J. McMahan	1/7/03 to 30/6/04
L. Oxlad	1/7/03 to 30/6/04
T. Walkington	1/7/03 to 30/6/04
B. Ellis	1/7/03 to 30/6/04
S. Strugnell	1/7/03 to 1/8/03
T. Lynch	21/8/03 to 30/6/04
P. Parks	1/7/03 to 31/12/03
L. Jones	1/1/04 to 30/6/04

Other Relevant Information

Nil

Signed for and on behalf of the Committee of Management –

Date:


.....
Federal Secretary

**COMMUNITY AND PUBLIC SECTOR UNION
SPSF GROUP - FEDERAL COUNCIL**

INDEPENDENT AUDITOR'S REPORT

Scope

We have audited the accompanying general purpose financial report of the Community and Public Sector Union, SPSF Group - Federal Council for the year ended 30th June 2004 comprising Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows and Notes to the Financial Statements. The Union's Executive Committee is responsible for the preparation and presentation of the financial report and the information they contain. We have performed an independent audit of this financial report in order to express an opinion on it to the members of the Union.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial report is presented fairly in accordance with statutory requirements so as to present a view which is consistent with our understanding of the Union's financial position and performance as represented by the results of its operations and cash flows.

The audit opinion expressed in this report has been formed on the above basis.

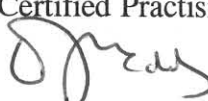
Audit Opinion

In our opinion -

- (a) the financial report is properly drawn up so as to present fairly the financial position of the Union as at 30th June 2004 and its performance for the year ended on that date; and
- (b) the financial report is in accordance with the provisions of the Workplace Relations Act 1996 and Australian Accounting Standards.

Signed at Melbourne, this 28th day of October, 2004.

Eddy Partners
6th Floor, Coates Building
20 Collins Street
MELBOURNE, VIC., 3000
Tel: (03) 9654-5944
Fax: (03) 9654-6908

EDDY PARTNERS,
Certified Practising Accountants.

David James Eddy, CPA.
Registered Company Auditor.