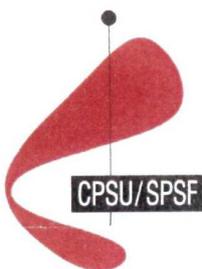


**COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL
FUND
ABN 31 572 641 712**

**ANNUAL CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2012**



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COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND
ABN 31 572 641 712

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Relationship of the concise financial report to the full financial reports

The concise financial report is an extract from the full financial report for the year ended 30 June 2012. The financial statements and specific disclosures included in the concise financial report have been derived from the full financial report.

The concise financial report cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of Community and Public Sector Union SPSF Group - Federal Fund as the full financial report. Further financial information can be obtained from the full financial report.

The full financial report and auditor's report will be sent to members on request, free of charge. Please contact Community and Public Sector Union SPSF Group Federal Fund's office and a copy will be forwarded to you. Alternatively, you can access both the full financial report and the concise report via the internet at our Members' Centre on our website.

The committee of management has resolved on 1 March 2013 that this concise report be provided in accordance with s265 (2) of the *Fair Work (Registered Organisations) Act 2009*.

COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND
ABN 31 572 641 712

DISCUSSION AND ANALYSIS OF THE FINANCIAL STATEMENTS

Information on Community and Public Sector Union SPSF Group – Federal Fund’s concise financial report

The concise financial report is an extract of the full financial report for the year ended 30 June 2012. The financial statements and specific disclosures included in the concise financial report have been derived from the full financial report.

This discussion and analysis is provided to assist members in understanding the concise financial report. The discussion and analysis is based on Community and Public Sector Union SPSF Group – Federal Fund financial statements and the information contained in the concise financial report has been derived from the full 2012 financial report of Community and Public Sector Union SPSF Group – Federal Fund.

Statement of comprehensive income

The deficit attributable to members for the year was \$602,737 compared with a \$161,838 deficit last year. This was a direct result of the loss of capitation fees from the Queensland branch.

Capitation fees income increased by \$34,469 from \$ 1,755,595 in 2011 to \$ 1,790,064 in 2012. This however includes the estimated capitation fee due from the Queensland branch of \$ 420,000 which may not be fully collectible. Overall revenue decreased by \$4,911 in 2012 due to a reduction in interest income.

Total expenses increased by \$ 435,988 from \$2,050,918 in 2011 to \$2,486,906 in 2012. This is mainly due to the \$420,000 bad debt provision raised against the Queensland branch’s capitation fee debt.

Balance sheet

Total assets decreased by 12% or \$308,901 from \$2,411,919 in 2011 to \$2,103,018 this year mainly due to a decrease in cash on hand. This was a direct result of the loss of income from the Queensland branch.

Total liabilities increased by \$293,836 or 67% from \$438,566 in 2011 to \$732,402 in 2012. The increase was due to an increase in both employee provisions and trade creditors.

The net result was an overall decrease in the Federal Fund of \$602,737.

Statement of cash flows

Net cash flows from operations decreased by \$ 173,049 from (\$116,207) in 2011 to (\$289,256) in 2012. The result was due to decrease of receipt of interest and capitation fee receipts.

Overall cash balances increased by \$362,695 from last year due to a part-redemption of the term deposits, with cash on hand and at banks at 30 June 2012 being \$ 530,049 (2011: \$167,354).

Signed in accordance with a resolution of the Committee of Management:

Designated Officer



Karen Batt – Federal Secretary

Dated this 1 March 2013

**COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND
ABN 31 572 641 712**

OPERATING REPORT

The Federal Executive presents their report on the Community and Public Sector Union SPSF Group - Federal Fund (CPSU) for the financial year ended 30 June 2012.

Members of Federal Executive

The name of each person who has been a member of the Federal Executive at any time during or since the end of the financial year is as follows:

<i>Name</i>	<i>Position</i>
D. Carey	Federal Secretary (resigned 28 November 2012)
K. Batt	Federal Secretary (elected 28 November 2012)
J. Cahill	Federal President
	Federal Vice President - NSW
A. Scott	Senior Federal Vice President – QLD (resigned on 30 Aug 2012)
K. Batt	Federal Vice President – VIC (re-elected 19 Mar 2012)
J. McMahon	Federal Vice President – SA (re-elected 6 June 2012)
T. Walkington	Federal Vice President - WA
T. Lynch	Federal Vice President - TAS
V. Doogan	QLD Branch Delegate (resigned on 29 Aug 2012)
J. Gaines	WA Branch Delegate
P. Lillywhite	Victorian Branch Delegate
L. Oxlad	SA Branch Delegate (re-elected 6 June 2012)
S. Walsh	NSW Branch Delegate
G Ransley	Tasmanian Branch Delegate

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

COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND
ABN 31 572 641 712

OPERATING REPORT (Continued)

Significant changes in state of financial affairs

Capitation fees from the Queensland Branch totalling some \$420,000 remain unpaid. The circumstances relating to the unpaid capitation fees is currently under review. Apart from this, no significant changes in the state of financial affairs of the CPSU occurred during the financial year.

Review of principal activities and results of operations

The CPSU is a professional and industrial organisation, registered under the *Fair Work (Registered Organisations Act) 2009*, representing public sector workers across Australia. The CPSU is a democratic, federated structure, with a Federal Office, based in Sydney, and branches in every state of Australia.

The primary object of the CPSU is to represent the professional and industrial interests of its members and to promote and defend Australia's high quality public service system. We do this by enacting strategies and campaigns which enhance the working conditions, living standards and professional rights of members.

The CPSU is a democratic, membership-focused organisation, always aiming to act in the best interests of members and the public service system. The union at all levels operates on principles of effective transparent governance and strong leadership, providing an effective voice for our members in Australia and internationally.

Results of activities

During the financial period the CPSU has successfully campaigned for enhanced and support the professional status of CPSU members in public sector through professional development and training and conferences, representation of members on professional bodies and to employers; made submissions and appeared before Commonwealth of Australia Parliamentary Committee and various federal Inquiries; protected and enhanced the industrial rights of CPSU members with CPSU Branches through industrial representation and negotiation of collective agreements.

After balance date events

Capitation fees due from the Queensland Branch continue to remain unpaid. This has had a major effect on the cash flow of the Federal Fund. Apart from this, no other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the CPSU, the results of those operations, or the financial affairs of the CPSU in future financial years.

**COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND
ABN 31 572 641 712**

OPERATING REPORT (Continued)

Right of members to resign

Rule 8 of Chapter C of Federal Rule sets out the terms under which a member of the Branch may resign. A member may resign from membership of the Union by notice in writing, addressed to the Branch Secretary, if the member ceases to be eligible to become a member of the Union or the member gives notice not less than two weeks before the resignation is to take effect.

Membership and employee numbers

The number of equivalent full time employees at 30 June 2012 was 8.5 (2011: 7.6)

The number of members across 7 branches at 30 June 2012 was 91,601 (2011: 123,240).

Superannuation trustees

The Federal Secretary (Mr. David Carey) during the reporting period held a position as Trustee of the UniSuper Board nominated by the ACTU in his capacity as Federal Secretary.

Apart from the above, to the best of the Federal Executive's belief and knowledge, no other officer or member of the organisation, by virtue of their office or membership of the Community and Public Sector Union SPSF Group - Federal Fund is:

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

Signed in accordance with a resolution of the Federal Executive:

Designated Officer



Karen Batt – Federal Secretary

Dated this 1st March 2013

**COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND
ABN 31 572 641 712**

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2012**

	Note	2012 \$	2011 \$
Revenue from continuing operations	3	1,884,169	1,889,080
Expenses			
Administrative and other expenses		234,061	385,023
Affiliation fees and levies		174,452	216,351
Campaign and project expenses		128,921	188,307
Communication expenses		37,153	39,530
Employee related expenses		1,275,933	1,010,341
Meeting and conference expenses		13,748	10,872
Provision for impairment		420,000	-
Travel expenses		202,638	200,494
		<u>2,486,906</u>	<u>2,050,918</u>
(Deficit) for the year		<u>(602,737)</u>	<u>(161,838)</u>
(Deficit) attributable to the members		(602,737)	(161,838)
Other comprehensive (expense)			
Changes in reserves		-	-
Total comprehensive (expense) for the year attributable to the members		<u>(602,737)</u>	<u>(161,838)</u>

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

COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND
ABN 31 572 641 712

BALANCE SHEET
AS AT 30 JUNE 2012

	2012 \$	2011 \$
ASSETS		
Current assets		
Cash and cash equivalents	530,049	167,354
Held-to-maturity financial assets	1,200,000	-
Trade and other receivables	260,541	238,800
Total current assets	1,990,590	406,154
Non-current assets		
Held-to-maturity financial assets	-	1,876,579
Property, plant and equipment	112,428	129,186
Total non-current assets	112,428	2,005,765
Total assets	2,103,018	2,411,919
LIABILITIES		
Current liabilities		
Trade and other payables	321,738	142,587
Provisions	410,664	295,979
Total current liabilities	732,402	438,566
Total liabilities	732,402	438,566
Net assets	1,370,616	1,973,353
FUNDS		
Federal fund	1,370,616	1,973,353
Total funds	1,370,616	1,973,353

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

COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND
ABN 31 572 641 712

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2012

	Federal Fund \$
Balance at 1 July 2010	2,135,191
Total comprehensive income for the year	(161,838)
Transfer from federal fund	<u>-</u>
Balance at 30 June 2011	<u>1,973,353</u>
Balance at 1 July 2011	1,973,353
Total comprehensive income for the year	(602,737)
Transfer from federal fund	<u>-</u>
Balance at 30 June 2012	<u>1,370,616</u>

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

COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND
ABN 31 572 641 712

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2012

	2012 \$	2011 \$
Cash flows from operating activities		
Receipts of capitation fees (inclusive of GST)	1,531,023	1,941,606
Sundry income	2,741	-
Payments to suppliers and employees (inclusive of GST)	(1,926,658)	(2,187,571)
Interest received	103,638	129,758
Net cash (outflow) from operating activities	<u>(289,256)</u>	<u>(116,207)</u>
 Cash flows from investing activities		
Redemption for investment	676,579	72,966
Payment for property, plant and equipment	(24,628)	(79,090)
Net cash inflow (outflow) from investing activities	<u>651,951</u>	<u>(6,124)</u>
 Net increase (decrease) in cash and cash equivalents	362,695	(122,331)
Cash and cash equivalents at beginning of financial year	<u>167,354</u>	<u>289,685</u>
Cash and cash equivalents at end of financial year	<u><u>530,049</u></u>	<u><u>167,354</u></u>

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

1: Summary of significant accounting policies

(a) Basis of preparation

The concise financial reports have been prepared in accordance with the requirements of the *Fair Work (Registered Organisations) Act 2009* and Accounting Standard AASB 1039 *Concise Financial Reports*.

A full general purpose financial report has been prepared for the Community and Public Sector Union SPSF Group - Federal Fund (CPSU). The financial statements and specific disclosures included in the concise financial report have been derived from the general purpose financial report of the Branch. The concise financial report cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the the CPSU as the general purpose financial report of the the CPSU.

(b) Basis of accounting

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Fair Work (Registered Organisations) Act 2009*.

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets and financial assets and liabilities at fair value through profit or loss.

The accounting policies adopted have been consistently applied to all years presented, unless otherwise stated.

(c) Presentation currency

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

2: Information to be provided to members or General Manager of the Fair Work Commission

In accordance with the requirements of the *Fair Work (Registered Organisations) Act 2009*, the attention of members is drawn to the provisions of subsection (1), (2) and (3) of section 272 which read as follows:

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

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

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

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2012

3: Revenue

	Note	2012 \$	2011 \$
From continuing operations			
<i>Service revenue</i>			
Capitation fees	a	<u>1,790,064</u>	<u>1,755,595</u>
		<u>1,790,064</u>	<u>1,755,595</u>
<i>Other revenue</i>			
Interest		91,528	125,151
Other revenue		<u>2,577</u>	<u>8,334</u>
		<u>94,105</u>	<u>133,485</u>
		<u>1,884,169</u>	<u>1,889,080</u>

(a) Capitation fees

		2012 \$	2011 \$
NSW Branch		662,395	609,151
QLD Branch	b	420,276	451,531
SA Branch		193,975	193,987
TAS Branch		61,266	63,135
VIC Branch		217,193	205,373
WA Branch		<u>234,959</u>	<u>232,418</u>
		<u>1,790,064</u>	<u>1,755,595</u>

(b) Capitation fees – Qld Branch

This amount is still due and an impairment provision of \$420,000 has been raised against it.

4: Contingencies

Contingent liabilities

After the end of the financial year an un-resolved matter regarding a potential claim regarding a superannuation liability has arisen. The matter is not currently subject to legal action and will be vigorously defended if necessary. In the circumstances, it has been determined that a provision for this claim is not required particularly as the amount of the potential claim is not currently capable of reliable measurement.

Contingent assets

There are no other known contingent assets or liabilities at 30 June 2012.

5: Events occurring after reporting date

Capitation fees due from the Queensland Branch continue to remain unpaid. This has had a major effect on the cash flow of the Federal Fund. Apart from this, no matter or circumstance has arisen since the end of the financial year to the date of this report, that has or may significantly affect the activities of the CPSU, the results of those activities or the state of affairs of the CPSU in the ensuing or any subsequent financial year.

COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND
ABN 31 572 641 712

COMMITTEE OF MANAGEMENT STATEMENT

On 1st March 2013 the Committee of Management of the Community and Public Sector Union SPSF Group - Federal Fund passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 30 June 2012:

The Committee of Management declares that in its opinion;

1. the financial statements and notes comply with Australian Accounting Standards;
2. the financial statements and notes comply with the reporting guidelines of the General Manager of Fair Work Commission;
3. 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;
4. 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;
5. during the financial year to which the GPFR relates and since the end of that year:
 - a. meetings of the Committee of Management were held in accordance with the rules of the organisation including the rules of branches concerned; and
 - b. the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - c. the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
 - d. the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
 - e. the information has been furnished to any member of the reporting unit or to the General Manager of the Fair Work Commission, as the case may be, where information sought by the member or the General Manager of the Fair Work Commission was duly made under section 272 of the RO Act; and
 - f. No order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act during the period.
6. the reporting unit has not engaged in recovery of wages activity which has resulted in the derivation of revenue in respect of such activity

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

Signature of designated officer



Name of designated officer: Karen Batt

Position held: Federal Secretary

Dated this 1st March 2013



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Incorporating BGL & Associates

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND

*Liability limited by a scheme approved under
Professional Standards Legislation*

Report on the concise financial report

We have audited the accompanying concise financial report of the Community And Public Sector Union SPSF Group – Federal Fund comprises the balance sheet as at 30 June 2012, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and related notes, derived from the audited financial report of the Community And Public Sector Union SPSF Group – Federal Fund for the year ended 30 June 2012. The concise financial report also includes discussion and analysis of results and Statement by Committee of Management. The concise financial report does not contain all the disclosures required by the Australian Accounting Standards.

Committee of Management 's responsibility for the concise financial report

The Committee of Management is responsible for the preparation of the concise financial report in accordance with Australian Accounting Standards AASB 1039 *Concise Financial Reports* and the *Fair Work (Registered Organisations) Act 2009* and for such internal control as the Committee of Management determine is necessary to enable the preparation of the concise financial report.

Auditor's responsibility

Our responsibility is to express an opinion on the concise financial report based on our audit procedures which were conducted in accordance with ASA 810 *Engagements to Report on Summary Financial Statements*. We have conducted an independent audit, in accordance with Australian Auditing Standards, of the financial report of Community And Public Sector Union SPSF Group – Federal Fund for the year ended 30 June 2012. We expressed an unmodified audit opinion on the financial report in our report dated 1 March 2013. The Australian Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report for the year is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the concise financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the concise financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation of the concise financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. Our procedures included testing that the information in the concise financial report is derived from, and is consistent with, the financial report for the year, and examination on a test basis, of audit evidence supporting the amounts, discussion and analysis of results, and other disclosures which were not directly derived from the financial report for the year. These procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report complies with AASB 1039 *Concise Financial Reports* and whether the discussion and analysis complies with the requirements laid down in AASB 1039 *Concise Financial Reports*.

Our audit did not involve an analysis of the prudence of business decisions made by the Committee of Management.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.





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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITY & PUBLIC SECTOR UNION SPSF GROUP - FEDERAL FUND (Continued)

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Emphasis of matters

Without modifying our opinion, we would like to draw attention to Note 18 of financial report relating to an unresolved matter concerning a potential claim regarding a superannuation liability. The impact on the financial report cannot be reliably determined at this point in time.

Opinion

In our opinion, the concise financial report, including the discussion and analysis of results and the Statement of Committee Management of the Community And Public Sector Union SPSF Group – Federal Fund for the year ended 30 June 2012 complies with Australian Accounting Standard AASB 1039 *Concise Financial Reports* and the *Fair Work (Registered Organisations) Act 2009*.

BGL & Associates
Chartered Accountants

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

Member of The Institute of Chartered Accountants in Australia and
holder of current Public Practice Certificate

1 March 2013
Melbourne

