

INDEPENDENT AUDITOR'S REPORT

Members of Community and Public Sector Union (SPSFT) Inc.

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of the Community and Public Sector Union (SPSFT) Inc. (the Entity), 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 then ended, and notes to the financial statements, including a summary of significant accounting policies, and the Committee of Management statement.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the entity as at 30 June 2020, and its financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards and the *Fair Work (Registered Organisations) Act 2009*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Entity 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 our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Committee of Management and those Charged with Governance for the Financial Report

The Committee of Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, the *Fair Work (Registered Organisations) Act 2009* and for such internal control as the Committee of Management determines is necessary to enable the preparation of the financial report that 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 Entity'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 management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are 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 our 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, we exercise professional judgement and maintain professional scepticism throughout the audit. We 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 our 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness 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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity 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.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



JOANNE DOYLE
Partner
Wise Lord & Ferguson

Date: 29 July 2020

COMMITTEE OF MANAGEMENT STATEMENT

The Committee of Management Statement has been made in accordance with a resolution passed by the Committee on 29 July 2020

On 29 July 2020 the Committee of Management of the Community and Public Sector Union (SPSFT) Inc. passed the following resolution in relation to the Special Purpose Financial Report (SPFR) of the reporting unit for the financial year ended 30 June 2020:

The Committee of Management declares in relation to the SPFR that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) 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;
- (c) 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;
- (d) during the financial year to which the SPFR 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 the 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 the branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the Registered Organisations (RO) Act; and
 - (iv) as the organisation consists of 2 or more reporting units, the financial records of the reporting units have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation.; and
 - (v) where information has been sought in any request by a member of the reporting unit or Commissioner duly made under section 272 of the RO Act, has been provided to the member or Commissioner; and
 - (vi) where any order for inspection of financial records has been made by the Registered Organisations Commission under section 273 of the RO Act, there has been compliance
- (e) in relation to recovery of wages activity

There has been no recovery of wages activity for the financial year ending 30 June 2020.

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

Signature:



Thomas Lynch
General Secretary

Date: 29 July 2020

**THE COMMUNITY AND PUBLIC SECTOR UNION (SPSFT) INC
OPERATING REPORT YEAR ENDED 30 JUNE 2020**

I, Thomas Lynch, being the General Secretary of the CPSU (SPSFT) Inc, report operations for the year ended 30 June 2020 as follows:

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

1. Representing individual members in grievance disputes with employers. The Membership Advice and Support team along with CPSU Direct supported hundreds of members through the provision of advice, information and representation in regard to their rights and resolving grievance or disputes with their employer.
2. Representing groups of members at many workplaces in regard to workplace issues including change management. Our team of organisers operate across the State to ensure every workplace with members has the support needed.
3. Negotiating Collective Bargaining Agreements that have resulted in increased wages and conditions for members covered by those Agreements.
4. Negotiating Industrial Agreements at a number of worksites resulting in the settlement of disputes or improved flexible working arrangements.
5. Representing members in the Tasmanian Industrial Commission in unfair dismissal cases resulting in a fair outcome for members.
6. Conducting monthly committee and finance meetings to initiate, monitor and evaluate operational and finance activities.
7. Providing Union Delegates and Worksite Committee members with training and education to enable them to better represent members in the workplace.

Significant changes in financial affairs

No significant change in the nature of these activities occurred during the year.

The surplus of the union for the financial year amounts to \$90,064. There were no significant changes to the financial affairs during the year.

Rights of Members to resign

A Member of the Union may resign from membership by written notice addressed and delivered to the General Secretary giving notice in accordance with the CPSU (SPSFT) Inc. Rule 7(5)

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

None

Number of Members

3109 Financial Members

Number of employees: 16 employees

Committee of Management List of Office Holders:

Position	Officer	Address	Period Held
President	Grant Ransley	C/- CPSU (SPSFT) Inc, 157 Collins Street, Hobart, Tas, 7000	01.07.19 to 30.06.20
Vice President	Rosmyn Faulks	C/- CPSU (SPSFT) Inc, 157 Collins Street, Hobart, Tas, 7000	01.07.19 to 30.06.20
Vice President	Steven Arditto	C/- CPSU (SPSFT) Inc, 157 Collins Street, Hobart, Tas, 7000	01.07.19 to 30.06.20
Treasurer	Tim Turner	C/- CPSU (SPSFT) Inc, 157 Collins Street, Hobart, Tas, 7000	01.07.19 to 30.06.20
Executive Councillor	Kenneth Hart	C/- CPSU (SPSFT) Inc, 157 Collins Street, Hobart, Tas, 7000	01.07.19 to 30.06.20
Executive Councillor	Donna Johnston	C/- CPSU (SPSFT) Inc, 157 Collins Street, Hobart, Tas, 7000	01.07.19 to 30.06.20
Executive Councillor	Thomas Courto	C/- CPSU (SPSFT) Inc, 157 Collins Street, Hobart, Tas, 7000	01.07.19 to 30.06.20
General Secretary	Thomas Lynch	C/- CPSU (SPSFT) Inc, 157 Collins Street, Hobart, Tas, 7000	01.07.19 to 30.06.20
Assistant General Secretary	Thirza White	C/- CPSU (SPSFT) Inc, 157 Collins Street, Hobart, Tas, 7000	01.07.19 to 30.06.20

Disclosure of material personal interests received since 1 July 2019:

Officer	1.Organisation	2.Principle Activities	3. Holds Position through Office
Nil to Disclose			

Signed in accordance with a resolution of the Committee of Management



Date: 29.7.20

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Thomas Lynch
General Secretary
Community and Public Sector Union (SPSFT) Inc.

CPSU (SPSFT) Inc.
STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 June 2020

	2020	NOTE	2019
	\$		\$
INCOME			
Subscriptions	1,570,226	1a	1,576,641
Other Income	27,277	1a	210,781
Gain on Sale of Asset	4,625		12,528
TOTAL INCOME	<u>1,602,129</u>		<u>1,799,950</u>
LESS COST OF SALES			
Movie Tickets/Coles/Woolworths Vouchers	-	1a	169,603
GROSS PROFIT	<u>1,602,129</u>		<u>1,630,347</u>
LESS EXPENSES			
Affiliation	23,226	4a	22,794
Communication	38,173	4b	38,968
Campaigning Costs	5,039		40,547
Meetings with Stakeholders	6,723		7,787
Depreciation & Amortisation	76,648	4c	69,637
Financial	18,562	4d	15,988
Membership Expenses	24,208	4e	6,953
Motor Vehicle & Staff Travel	19,979		35,407
Office Support	61,002		93,622
Property	58,965		62,336
Wages & Salaries	1,076,306	5a	1,002,931
Honoraria	16,472		16,472
Superannuation	125,173	5b	115,293
Other Staffing	26,810	4f	128,956
TOTAL EXPENSES	<u>1,577,286</u>		<u>1,657,691</u>
NET SURPLUS / (DEFICIT)	<u>24,843</u>		<u>(27,344)</u>
NON-OPERATIONAL INCOME			
Cash Flow Boost - ATO	62,500		-
Covid-19 Relief Credits	2,721		-
TOTAL OTHER COMPREHENSIVE INCOME	-		-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>90,064</u>		<u>(27,344)</u>

The accompanying notes form part of these financial statements.

CPSU (SPSFT) Inc.
STATEMENT OF FINANCIAL POSITION
as at 30 June 2020

	2020	NOTE	2019
	\$		\$
ASSETS			
CURRENT ASSETS			
Cash & Cash Equivalents	461,464	6	317,669
Investments	435,000	7	426,543
Debtors	1,671		21,284
Inventory	-		-
Prepayments	6,958		7,534
Right of Use Asset	961	1g(i)	-
TOTAL CURRENT ASSETS	906,054		773,030
NON-CURRENT ASSETS			
IT Equipment	13,524	9	7,974
Furniture & Other Equipment	7,167	9	9,679
Land & Buildings	1,184,286	8	1,222,858
Motor Vehicles	75,126	9	85,318
TOTAL NON-CURRENT ASSETS	1,280,103		1,325,829
TOTAL ASSETS	2,186,157		2,098,860
Liabilities			
CURRENT LIABILITIES			
Creditors	132,412		127,622
Lease Liability	983	1g(ii)	-
Leave Liabilities Employees	147,579	1f,10	121,962
Leave Liabilities Office Holders	101,282	1f,10	139,974
TOTAL CURRENT LIABILITIES	382,256		389,558
NON-CURRENT LIABILITIES			
Leave Liabilities Employees	32,914	1f,10	30,935
Leave Liabilities Office Holders	12,566	1f,10	10,008
TOTAL NON-CURRENT LIABILITIES	45,480		40,943
TOTAL LIABILITIES	427,736		430,501
NET ASSETS	1,758,421		1,668,358
EQUITY			
MEMBERS EQUITY			
Retained Earnings	664,808		692,152
Current Year Earnings	90,064		(27,344)
Reserves			
Amelioration Fund Reserve	7,000	11	7,000
Asset Revaluation Reserve	996,549	11	996,549
TOTAL MEMBERS EQUITY	1,758,421		1,668,358
TOTAL EQUITY	1,758,421		1,668,358

The accompanying notes form part of these financial statements.

CPSU (SPSFT) Inc.
STATEMENT OF CHANGES IN EQUITY
for the year ended 30 June 2020

	2020 \$	NOTE	2019 \$
Retained Earnings			
Opening Balance 1 July	664,808		692,152
Gain/(Loss) for the Year	90,064		(27,344)
Closing Balance 30 June	754,872		664,808
Asset Revaluation Reserve			
Opening Balance 1 July	996,550		996,550
Revaluation on Land & Building	-	11	-
Closing Balance 30 June	996,550		996,550
Amelioration Fund Reserve			
Opening Balance 1 July	7,000		7,000
Payment	-		-
Reimbursement	-		-
Closing Balance 30 June	7,000		7,000
TOTAL EQUITY	1,758,421		1,668,358

The accompanying notes form part of these financial statements.

CPSU (SPSFT) Inc.
STATEMENT OF CASH FLOWS
For the year ended 30 June 2020

	2020	2019
	\$	\$
Cash Flows from Operating Activities		
Receipts from Members and other Entities	1,674,001	1,756,298
Payments to Suppliers and Employees	(1,506,671)	(1,662,707)
Interest Received	8,337	13,695
Net Cash Flows from Operating Activities	175,667	107,286
Cash Flows from Investing Activities		
Purchase of Investments	(8,457)	(209,500)
Proceeds from Sale of Plant and Equipment	15,000	25,000
Payment to Purchase Plant and Equipment	(38,415)	(65,444)
Net Cash Flows from Investing Activities	(31,872)	(249,944)
Net Cash Flows from Financing Activities		
	-	-
Net Cash for the Year	143,795	(142,658)
Balance at start of Year	317,669	460,327
Balance at end of year	461,464	317,669
Made up by:		
Cash	460,864	317,069
Cash Float	600	600
	461,464	317,669

Result for Year is reconciled to cash surplus from operations as follows:

Profit/(Loss) for the Year	90,064	(27,344)
Non-cash Profit & Loss items		
Depreciation	76,649	69,637
Profit on Disposal of Assets	(4,625)	(12,528)
Changes in non-cash items		
Prepayments	576	(2,860)
Inventory	-	13,243
Right-of-Use Asset	(3,844)	-
Debtors	19,612	(17,429)
Employee entitlements	(8,537)	91,515
Creditors	4,790	(6,948)
Lease Liability	983	-
Cash Surplus from Operations	175,667	107,287

The accompanying notes form part of these financial statements.

1 Basis of preparation

This financial report is a special purpose financial report that has been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards, and other authoritative pronouncements of the Australian Accounting Standards Board and Fair Work (Registered Organisation) Act 2009. For the purpose of preparing the financial statements, the entity is a not-for-profit entity.

The following material accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this report.

The financial report has been prepared on an accruals basis and is based on historical cost, except for certain assets and liabilities measured at fair value, as explained in the accounting policies below.

Accounting Policies

a) Income

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

Revenue from subscriptions is accounted for on an accrual basis as provided under Section 252 of the *Fair Work (Registered Organisations) Act 2009* and is recorded as revenue in the year to which it relates.

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

Donation income is recognised when it is received.

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

Gains and losses from disposal of assets are recognised when control of the asset has passed to the buyer.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due. Collectability of debts is reviewed at end of the reporting period and an Executive decision is made to write-off any amounts owing where collectability of the debt is no longer probable.

Other income has reduced from the 2018/19 financial year as CPSU no longer purchases and sells Coles/Woolworths cards and Movie Vouchers directly to Members.

b) Cash and Cash Equivalents

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.

c) Property, Plant and Equipment

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

COMMUNITY AND PUBLIC SECTOR UNION (SPSFT) INC
Notes to the Financial Statements
Year Ended 30 June 2020

Buildings

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

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

Plant and Equipment

Plant and equipment is stated at the lower of cost less depreciation or the recoverable amount and is depreciated over the expected useful life of each asset using the straight-line basis.

Depreciation

Depreciation rates for each class of depreciable assets are:

	2020	2019
Buildings	5.00%	5.00%
Building Improvements	12.50%	12.50%
Motor Vehicles	22.50%	22.50%
Electronics Hardware	33.33%	33.33%
Electronics Software	100.00%	100.00%
Furniture, Equipment	25.00%	25.00%

Derecognition

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

d) **Taxation**

The Union 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 GST is not recoverable from the taxation authority.

e) **Events**

Currently there is a worldwide pandemic due to a Corona Virus. The response to the virus has required the introduction of social distancing, quarantining and periods of working from home. It is unclear how long the pandemic will last nor the impact of future policies of the Australian Government and health authorities' whilst trying to reduce the impact of the virus. Overall, the Union recognises that external influences will have an as yet unknown impact in relation to its member base and operating revenue.

f) **Employee Entitlements**

Annual Leave

All annual leave accrued is expected to be taken within the next 12 months.

Long Service Leave

A current liability is recorded for employees with 10 years service or more at period end, and those employees with service of less than 10 years being recognised as a non-current liability. The liability has been calculated using probability factors and discount rates to ensure compliance with *AASB 119 Employee Benefits*.

Sick Leave

On cessation of employment no sick leave is paid out therefore no current liability is held.

Retirement & Super

The Union is not a retirement fund organisation and therefore these entitlements are recorded as expense when they occur.

g) **Leases**

The Union assesses at contract inception whether a contract is, or contains, a lease. The union applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Union recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) **Right-of-use Asset**

The Union recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated amortisation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are amortised on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, per note 1(c) to the financial statements.

ii) **Lease Liability**

At the commencement date of the lease, the Union recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include penalties for terminating the lease, if the lease term reflects the Union exercising the option to terminate.

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

h) **Comparative amounts**

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

i) **Critical Accounting Estimates and Judgements**

Management evaluates estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the entity.

COMMUNITY AND PUBLIC SECTOR UNION (SPSFT) INC
Notes to the Financial Statements
Year Ended 30 June 2020

Key Estimates

Impairment

The Union assesses its assets for impairment when events or changes in circumstances indicate that the assets' carrying values may not be recoverable.

Key Judgements

Employee Benefits

As the Union expects that all of its employees would use all of their annual leave entitlements earned during a reporting period before 12 months after the end of the reporting period, management considers that obligations for annual leave entitlements satisfy the definition of short-term employee benefits and, therefore, can be measured at the (undiscounted) amounts expected to be paid to employees when the obligations are settled.

j) Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year. Accounting Standards applicable from 1 July 2019 have no effect on the accounting policies of the union for the current or previous period.

k) New Accounting Standards for Application in Future Periods

Australian Accounting Standards that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Union for the annual reporting period ended 30 June 2020. The Union has complied with the following accounting standards that became mandatory in the 2020 financial year, AASB16 Leases, AASB15 Revenue from Contracts with Customers and AASB1058 Income of Not-for-profit Entities.

2 MEMBERSHIP

Union membership at 30 June 2020 was 3,109 (2019: 3,099)

3 AUDITOR'S REMUNERATION

Amounts paid or payable to the Union's auditor for the 2019 - 2020 audit totalled \$6,360 (2018 - 2019: \$5,580)

4 EXPENSES

- a Affiliation: Includes \$22,716 paid to Unions Tasmania and \$509 to Tasmanian Council of Social Services.
- b Communications: Includes expenses incurred for Telephone & Data, MailChimp, SMS, Facebook, Nationbuilder, Promotions, Printing, Postage, Web Page and Advertising.
- c Depreciation and Amortisation: Includes depreciation of \$73,765 & Amortisation of \$2,883.
- d Financial: Includes expenses for Audit Fees of \$4,645, Interest \$114 and Bank Charges of \$13,801.73.
- e Membership Expenses: Includes Delegate Training \$316, Conference Training \$4,519, Legal Fees \$3,911, Donations, \$845, Membership Expenses \$2,795 and Sponsorship \$175, Member Advantage Program \$3,195 and Delegate conference \$11,248 (only held once every 2 years).
- f Other Staffing Expenses: Includes FBT \$5,369, LSL Movement (\$14,314), Payroll Tax \$170, AL Movement \$5,775, Training \$3,814, Payroll Expenses Accrued \$10,618, Workers Compensation Insurance \$15,356 and Workers Compensation Payments \$22.

5 HONARARIA, SALARIES OF OFFICE HOLDERS

- a Includes salaries paid to Office Holder's totalling \$262,174
- b Includes superannuation paid to Office Holder's super accounts totalling \$43,554.

COMMUNITY AND PUBLIC SECTOR UNION (SPSFT) INC
Notes to the Financial Statements
Year Ended 30 June 2020

6 CASH & CASH EQUIVALENTS	2020	NOTE	2019
	\$		\$
Cash At Bank	460,864		317,069
Cash On Hand	600		600
Total Cash & Cash Equivalents	<u>461,464</u>		<u>317,669</u>

7 INVESTMENTS (Current)

ME Bank Term Deposits	435,000	(a)	426,543
	<u>435,000</u>		<u>426,543</u>

(a) Terms and conditions relating to the above financial instruments:
Short-term deposits have a floating interest.

8 LAND & BUILDINGS

Reconciliation of the Opening and Closing Balances of Land and Buildings

	2020	2019
	\$	\$
As at 1 July		
Land & Buildings		
Gross book value	1,300,000	1,300,000
Accumulated depreciation and impairment	(77,142)	(38,571)
Net book value 1 July	<u>1,222,858</u>	<u>1,261,429</u>
Revaluation Increment	-	-
Less Depreciation expense	(38,571)	(38,571)
Net book value 30 June	<u>1,184,287</u>	<u>1,222,858</u>
Net book value as of 30 June represented by:		
Gross book value	1,300,000	1,300,000
Less Accumulated depreciation and impairment	(115,714)	(77,142)
Net book value 30 June	<u>1,184,286</u>	<u>1,222,858</u>

9 PLANT & EQUIPMENT

Reconciliation of the Opening and Closing Balances of other Non-Current Assets

	2020	2019
	\$	\$
As at 1 July		
Other Non-Current Assets (IT, Furniture & Other Equipment, Motor Vehicles)		
Gross book value	227,489	317,033
Less Accumulated depreciation and impairment	(124,518)	(235,968)
Net book value 1 July	<u>102,971</u>	<u>81,065</u>
Additions	38,415	65,444
Depreciation expense	(35,194)	(31,066)
Disposals		
Voluntary Disposal (at cost)	(25,927)	(54,494)
Voluntary Disposal (accumulated depreciation)	15,552	42,022
Write off (at cost)	-	(100,494)
Write off (accumulated depreciation)	-	100,494
Net book value 30 June	<u>95,817</u>	<u>102,971</u>
Net book value as of 30 June represented by:		
Gross book value	239,977	227,489
Accumulated depreciation and impairment	(144,160)	(124,518)
Net book value 30 June	<u>95,817</u>	<u>102,971</u>

COMMUNITY AND PUBLIC SECTOR UNION (SPSFT) INC
Notes to the Financial Statements
Year Ended 30 June 2020

10 EMPLOYEE PROVISIONS

	2020	2019
	\$	\$
Current Liability		
Annual Leave	151,010	145,235
Long Service Leave	97,851	116,702
	<u>248,861</u>	<u>261,937</u>
Non-Current Liability		
Long Service Leave	45,480	40,943
	<u>294,341</u>	<u>302,880</u>

11 MOVEMENTS IN RESERVES

	2020	2019	Movement
	\$	\$	\$
Amelioration Fund (a)	7,000	7,000	-
Asset Revaluation	996,549	996,549	-
Reserve Balances	<u>1,003,549</u>	<u>1,003,549</u>	-

(a) The Amelioration Fund Reserve is maintained to provide financial and other assistance to members or their families or the families of deceased members in distressed circumstances occasioned by the sickness, injury or death of a member.

A determination has been made that the fund balance is maintained at \$7,000. Where amounts are paid out of the fund, a reimbursement must be made to bring the fund back to this balance. No amounts are to be paid from the fund except with the approval of Council.

12 RELATED PARTY TRANSACTIONS

During the 2020 financial year there has not been any transactions with related parties.