

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 2021, 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 2021, 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.

Liability limited by a scheme approved under Professional Standards Legislation.

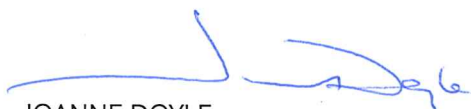
Auditor's Responsibilities for the Audit of the Financial Report

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.

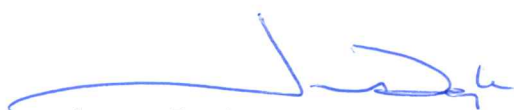


JOANNE DOYLE
Partner
Wise Lord & Ferguson

Date: 3 August 2021

Auditor's Independence Declaration to the Committee of Management of
Community and Public Sector Union (SPSFT) Inc.

In relation to our audit of the financial report of the Community and Public Sector Union (SPSFT) Inc. for the financial year ended 30 June 2021, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements as set out in the *Fair Work (Registered Organisations) Act 2009*; and any applicable code of professional conduct.



Joanne Doyle
Partner

Wise Lord & Ferguson
Chartered Accountants

1/160 Collins Street
HOBART TAS 7000

Dated: 3 August 2021.



Community and Public Sector Union

CPSU (State Public Services Federation Tasmania) Inc. - CPSU (SPSF Group, Tasmanian Branch)

COMMITTEE OF MANAGEMENT STATEMENT

On 3 August 2021 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) for the year ended 30 June 2021.

The Committee of Management declares 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; and
- 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 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.
- e) In relation to recovery of wages activity
There has been no recovery of wages activity for the financial year ending 30 June 2021.

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

Signature:

Thirza White, General Secretary

Dated: 03/08/2021

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**CPSU Members protect and
improve public services for all
Tasmanians and the working
lives of those who deliver them.**



Community and Public Sector Union

CPSU (State Public Services Federation Tasmania) Inc. - CPSU (SPSF Group, Tasmanian Branch)

THE COMMUNITY AND PUBLIC SECTOR UNION (SPSFT) INC OPERATING REPORT YEAR ENDED 30 JUNE 2021

I, Thirza White, being the General Secretary of the CPSU (SPSFT) Inc, report operations for the year ended 30 June 2021 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.

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Community and Public Sector Union

CPSU (State Public Services Federation Tasmania) Inc. - CPSU (SPSF Group,
Tasmanian Branch)

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 \$48,948. 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

3222 Financial Members

Number of employees: 16 employees

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Community and Public Sector Union

CPSU (State Public Services Federation Tasmania) Inc. - CPSU (SPSF Group, Tasmanian Branch)

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	01.07.20 to 30.06.21
Vice President	Rosmyn Faulks	C/- CPSU (SPSFT) Inc, 157 Collins Street, Hobart, Tas, 7000	01.07.20 to 30.06.21
Vice President	Steven Arditto	C/- CPSU (SPSFT) Inc, 157 Collins Street, Hobart, Tas, 7000	01.07.20 to 30.06.21
Treasurer	Tim Turner	C/- CPSU (SPSFT) Inc, 157 Collins Street, Hobart, Tas, 7000	01.07.20 to 22.12.20
Treasurer	Frances Hall	C/- CPSU (SPSFT) Inc, 157 Collins Street, Hobart, Tas, 7000	22.12.20 to 30.06.21
Executive Councillor	Kenneth Hart	C/- CPSU (SPSFT) Inc, 157 Collins Street, Hobart, Tas, 7000	01.07.20 to 22.12.20
Executive Councillor	Michelle Castle	C/- CPSU (SPSFT) Inc, 157 Collins Street, Hobart, Tas, 7000	22.12.20 to 30.06.21
Executive Councillor	Donna Johnston	C/- CPSU (SPSFT) Inc, 157 Collins Street, Hobart, Tas, 7000	01.07.20 to 22.12.20
Executive Councillor	Tania Shilcock	C/- CPSU (SPSFT) Inc, 157 Collins Street, Hobart, Tas, 7000	22.12.20 to 30.06.21
Executive Councillor	Thomas Courto	C/- CPSU (SPSFT) Inc, 157 Collins Street, Hobart, Tas, 7000	01.07.20 to 30.06.21
General Secretary	Thomas Lynch	C/- CPSU (SPSFT) Inc, 157 Collins Street, Hobart, Tas, 7000	01.07.20 to 22.12.20
General Secretary	Cornelia Thirza White	C/- CPSU (SPSFT) Inc, 157 Collins Street, Hobart, Tas, 7000	22.12.20 to 30.06.21
Assistant Secretary	Cornelia Thirza White	C/- CPSU (SPSFT) Inc, 157 Collins Street, Hobart, Tas, 7000	01.07.20 to 22.12.20
Assistant Secretary	Thomas Lynch	C/- CPSU (SPSFT) Inc, 157 Collins Street, Hobart, Tas, 7000	22.12.20 to 30.06.21

Disclosure of material personal interests received since 1 July 2020:

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: 4 August 2021

Thirza White
General Secretary
Community and Public Sector Union (SPSFT) Inc.

**PROUD to
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CPSU Members protect and improve public services for all Tasmanians and the working lives of those who deliver them.

CPSU (SPSFT) Inc.
STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 June 2021

	2021	NOTE	2020
	\$		\$
INCOME			
Subscriptions	1,686,506	1a	1,570,226
Other Income	24,640	1a	27,277
Gain/Loss on Sale of Asset	10,271		4,625
TOTAL INCOME	1,721,417		1,602,129
GROSS PROFIT	1,721,417		1,602,129
LESS EXPENSES			
Affiliation Fees	25,359	4a	23,226
Communication	61,167	4b	38,173
Campaigning Costs	6,092		5,039
Meetings with Stakeholders	5,866		6,724
Depreciation & Amortisation	77,783	4c	76,648
Financial and Other Costs	31,849	4d	18,561
Membership Expenses	14,787	4e	24,208
Motor Vehicle & Staff Travel	30,633	4g	19,979
Office Support	100,995	4h	61,002
Property	72,424		58,965
Wages & Salaries	1,119,710	5a	1,076,306
Honoraria	16,853		16,472
Superannuation	130,122	5b	125,173
Other Staffing	16,329	4f	26,810
TOTAL EXPENSES	1,709,969		1,577,286
OPERATIONAL SURPLUS	11,448		24,843
NON-OPERATIONAL INCOME			
Cash Flow Boost - ATO	37,500		62,500
Covid-19 Relief Credits	-		2,721
SURPLUS INCOME FOR THE YEAR	48,948		90,064
OTHER INCOME			
Revaluation of land and buildings	554,286		-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	603,234		90,064

The accompanying notes form part of these financial statements.

CPSU (SPSFT) Inc.
STATEMENT OF FINANCIAL POSITION
as at 30 June 2021

	2021 \$	NOTE	2020 \$
ASSETS			
CURRENT ASSETS			
Cash & Cash Equivalents	615,181	6	461,464
Investments	335,000	7	435,000
Debtors	29,213		1,671
Prepayments	4,506		6,958
Right of Use Asset	13,594	1g(i)	961
TOTAL CURRENT ASSETS	997,494		906,054
NON-CURRENT ASSETS			
IT Equipment	14,755	9	13,524
Furniture & Other Equipment	4,655	9	7,167
Land & Buildings	1,700,000	8	1,184,286
Motor Vehicles	81,372	9	76,126
TOTAL NON-CURRENT ASSETS	1,800,782		1,281,103
TOTAL ASSETS	2,798,276		2,187,157
LIABILITIES			
CURRENT LIABILITIES			
Creditors	133,585		132,412
Lease Liability	13,742	1g(ii)	983
Leave Liabilities Employees	145,216	1f,10	147,579
Leave Liabilities Office Holders	102,727	1f,10	101,282
TOTAL CURRENT LIABILITIES	395,270		382,256
NON-CURRENT LIABILITIES			
Leave Liabilities Employees	20,700	1f,10	32,914
Leave Liabilities Office Holders	20,652	1f,10	12,566
TOTAL NON-CURRENT LIABILITIES	41,352		45,480
TOTAL LIABILITIES	436,622		427,736
NET ASSETS	2,361,654		1,759,421
EQUITY			
MEMBERS EQUITY			
Retained Earnings	754,871		664,808
Current Year Earnings	48,948		90,064
Reserves			
Amelioration Fund Reserve	7,000	11	7,000
Asset Revaluation Reserve	1,550,835	11	996,549
TOTAL MEMBERS EQUITY	2,361,654		1,758,421
TOTAL EQUITY	2,361,654		1,758,421

The accompanying notes form part of these financial statements.

CPSU (SPSFT) Inc.
STATEMENT OF CHANGES IN EQUITY
for the year ended 30 June 2021

	2021 \$	NOTE	2020 \$
Retained Earnings			
Opening Balance 1 July	754,871		664,808
Surplus for the Year	48,948		90,064
Closing Balance 30 June	803,819		754,871
Asset Revaluation Reserve			
Opening Balance 1 July	996,550		996,550
Revaluation on Land & Building	554,285	11	-
Closing Balance 30 June	1,550,835		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	2,361,654		1,758,421

The accompanying notes form part of these financial statements.

CPSU (SPSFT) Inc.
STATEMENT OF CASH FLOWS
For the year ended 30 June 2021

	2021 \$	2020 \$
Cash Flows from Operating Activities		
Receipts from Members and other Entities	1,715,852	1,674,001
Payments to Suppliers and Employees	(1,633,606)	(1,503,810)
Interest Received	5,252	8,336
Net Cash Flows from Operating Activities	<u>87,498</u>	<u>178,527</u>
Cash Flows from Investing Activities		
Proceeds / (Purchase) from Investments	100,000	(8,457)
Proceeds from Sale of Plant and Equipment	20,454	15,000
Payment to Purchase Plant and Equipment	(51,890)	(38,415)
Net Cash Flows from Investing Activities	<u>68,564</u>	<u>(31,872)</u>
Cash Flows from Financing Activities		
Repayment of Lease Borrowings	(2,345)	(2,861)
Net Cash Flows from Financing Activities	<u>(2,345)</u>	<u>(2,861)</u>
Net Cash for the Year	153,717	143,794
Balance at start of Year	461,464	317,669
Balance at end of year	<u>615,181</u>	<u>461,463</u>
Made up by:		
Cash	614,581	460,864
Cash Float	600	600
	<u>615,181</u>	<u>461,464</u>

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

Surplus for the Year	48,948	90,064
Non-cash Profit & Loss items		
Depreciation	77,783	76,648
Profit on Disposal of Assets	(10,271)	(4,625)
Changes in non-cash items		
Prepayments	2,452	575
Debtors	(27,542)	19,612
Employee entitlements	(5,045)	(8,537)
Creditors	1,173	4,790
Cash Surplus from Operations	<u>87,498</u>	<u>178,527</u>

The accompanying notes form part of these financial statements.

COMMUNITY AND PUBLIC SECTOR UNION (SPSFT) INC
Notes to the Financial Statements
Year Ended 30 June 2021

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 the Associations Incorporation Act 1964 . 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 the 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 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.

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 2021

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:

	2021	2020
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.

COMMUNITY AND PUBLIC SECTOR UNION (SPSFT) INC
Notes to the Financial Statements
Year Ended 30 June 2021

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 2021

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 affect 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 2021.

2 MEMBERSHIP

Union membership at 30 June 2021 was 3,222 (2020: 3,109)

3 AUDITOR'S REMUNERATION

Amounts paid or payable to the Union's auditor for the 2020 - 2021 audit totalled \$6,965 (2019 - 2020: \$6,360)

4 EXPENSES

- a** Affiliation: Includes \$24,792 paid to Unions Tasmania and \$566.73 to Tasmanian Council of Social Services.
- b** Communications: Includes expenses incurred for Telephone & Data, Zoom, MailChimp, SMS, Digital Advertising, Nationbuilder, Promotions, Printing, Postage, Web Page and Advertising. Costs increased from 2019/20 as the use of communication shifted from face to face contact to electronic communications.
- c** Depreciation and Amortisation: Includes depreciation of \$75,312.16 & Amortisation of \$2,471
- d** Financial: Includes expenses for Audit Fees of \$8,115, Interest \$336 and Bank Charges of \$23,156 an increase in bank charges due to changes in direct debit provider.
- e** Membership Expenses: Includes Deposit for Delegate Conference \$2,482, Delegate Training \$2,798, Legal Fees \$3,532, Donations, \$694, Membership Expenses \$1,945, Member Advantage Program \$3,336. Decrease of expenses from 2019/2020 year is due to the Delegate Conference only being held once every 2 years.
- f** Other Staffing Expenses: Includes FBT \$2,911, LSL Movement (\$14,452), Payroll Tax \$5,382, AL Movement \$9,406, Training \$4,968, Payroll Expenses Accrued \$10,618, and Workers Compensation Insurance \$18,734.
- g** Motor Vehicle & Staff Travel increased from 2019/20 financial year with the lifting of travel restrictions due to Covid-19.
- h** Office Support - changes made to financial policy where assets purchased under \$5000 were expensed and not depreciated.

5 HONARARIA, SALARIES OF OFFICE HOLDERS

- a** Includes salaries paid to Office Holder's totalling \$204,774
- b** Includes superannuation paid to Office Holder's super accounts totalling \$48,268.

COMMUNITY AND PUBLIC SECTOR UNION (SPSFT) INC
Notes to the Financial Statements
Year Ended 30 June 2021

6 CASH & CASH EQUIVALENTS	2021	NOTE	2020
	\$		\$
Cash At Bank	614,581		460,864
Cash On Hand	600		600
Total Cash & Cash Equivalents	615,181		461,464

7 INVESTMENTS (Current)

ME Bank Term Deposits	335,000	(a)	435,000
	335,000		435,000

(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

	2021		2020
	\$		\$
As at 1 July			
Land & Buildings			
Gross book value	1,300,000		1,300,000
Accumulated depreciation and impairment	(115,714)		(77,142)
Net book value 1 July	1,184,286		1,222,858
Revaluation Increment	554,285		-
Less Depreciation expense	(38,571)		(38,571)
Net book value 30 June	1,700,000		1,184,287
Net book value as of 30 June represented by:			
Gross book value	1,700,000		1,300,000
Less Accumulated depreciation and impairment	-		(115,714)
Net book value 30 June	1,700,000		1,184,286

9 PLANT & EQUIPMENT

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

	2021		2020
	\$		\$
As at 1 July			
Other Non-Current Assets (IT, Furniture & Other Equipment, Motor Vehicles)			
Gross book value	239,977		227,489
Less Accumulated depreciation and impairment	(144,160)		(124,518)
Net book value 1 July	95,817		102,971
Additions	51,889		38,415
Depreciation expense	(36,741)		(35,194)
Disposals			
Voluntary Disposal (at cost)	(37,118)		(25,927)
Voluntary Disposal (accumulated depreciation)	26,935		15,552
Write off (at cost)	-		-
Write off (accumulated depreciation)	-		-
Net book value 30 June	100,782		95,817
Net book value as of 30 June represented by:			
Gross book value	254,748		239,977
Accumulated depreciation and impairment	(153,966)		(144,160)
Net book value 30 June	100,782		95,817

COMMUNITY AND PUBLIC SECTOR UNION (SPSFT) INC
Notes to the Financial Statements
Year Ended 30 June 2021

10 EMPLOYEE PROVISIONS

	2021	2020
	\$	\$
Current Liability		
Annual Leave	160,416	151,010
Long Service Leave	87,527	97,851
	<u>247,943</u>	<u>248,861</u>
Non-Current Liability		
Long Service Leave	41,352	45,480
	<u>289,295</u>	<u>294,341</u>

11 MOVEMENTS IN RESERVES

	2021	2020	Movement
	\$	\$	\$
Amelioration Fund (a)	7,000	7,000	-
Asset Revaluation	1,550,835	996,549	554,286
Reserve Balances	<u>1,557,835</u>	<u>1,003,549</u>	<u>554,286</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 2021 financial year there has not been any transactions with related parties.