

The Community and Public Sector Union

PSU Group

Annual Report

Financial Year Ending 30th June 2008

Operating Report

Financial Year Ending 30th June 2008

CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
GOVERNING COUNCIL

OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2008

From the National Secretary

The 2007/2008 financial year commenced with the union heavily committed to renegotiating collective agreements under WorkChoices and fighting the Your Rights and Work Campaign, to see off the most regressive industrial legislation in our nation's history. We weathered one of the most aggressive and expensive anti-union advertising campaigns and countered with some positive messages of our own, with a well produced TV commercial which ran for 4 weeks in critical locations.

The dedication and commitment of delegates, activists and members was hugely important to the CPSU in fighting the YR@W Campaign and delivering collective agreements. This dedication and commitment will be critical to our success under the new Government.

Unfortunately the first half of 2007 / 8 took its toll on our growth trajectory. We would normally see first half recruitment at around 4,000 members but in the 6 months to December 2007 this dropped to 3,000. We recovered again in the second half (January – June 2008) but not sufficient to take our full year new membership figures above 7000.

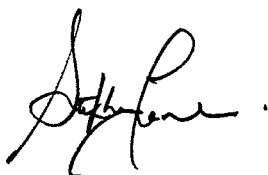
In 2008 we began rebuilding our long term policy agenda. We are calling it our Agenda for Change, and it has informed much of the work we have done this year:

- Our campaign for better funding of public services meant that we were very critical of the 2008 cuts to running costs in the Commonwealth Budget.
 - There is more to be done on this in 2008-9 but in the meantime we negotiated with Government to re-establish a centralised redeployment unit for APS employees to mitigate the impact.
- We have put paid maternity leave back on the agenda, calling for 26 weeks paid leave. We are pleased to see some early breakthroughs with 18 weeks promised in ACT Government and a move to 15 weeks in many Government agencies. At the same time, the Productivity Commission has released a report backing an 18 week scheme.
- We negotiated 47 new union agreements.
- We renewed emergency income protection coverage for union members who are injured or involved in an accident travelling to and from work and put continued pressure on the Rudd Government to restore workers' compensation arrangements for public sector workers which were removed by the Howard Government
- We are campaigning hard against employers like Telstra who are determined to wring the last drops out of the WorkChoices regime.

Continuing growth is a priority for the CPSU. With a higher rate of retirements expected over the next 5 years, and a shorter length of tenure, we will need to focus on recruiting workers the minute they start with a new employer.

Thank you for your continuing support. Members are the union. By listening to members, focusing on relevant issues and organising around what matters to you, CPSU will remain a vital union and continue to deliver positive outcomes for members.

Yours in unity,



Stephen Jones
CPSU National Secretary

26 November 2008

CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
GOVERNING COUNCIL

OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2008

About the CPSU

The CPSU is one of Australia's most active and progressive unions representing members in public and private sector including:

- Commonwealth and Territory Government
- telecommunications
- broadcasting
- call centres
- employment services
- aviation
- science
- research.

CPSU's purpose is to win sustainable workplaces, and industrial and social justice through the power of organised members. To be successful the union needs to keep growing in size and influence.

Principal activities

Agenda for Change – a positive industrial and political agenda

In 2008 we started a conversation with members about their aspirations for their working lives, the jobs, services and sector that they work in and what they want the union to focus on over the next 5 years. The result is our Agenda for Change. It sets out the 10 policy priorities for the union. Some of these will be achieved industrially through bargaining and workplace campaigns. Some objectives require legislative change which can only be achieved through community and political activity.

Collective Bargaining – our core business

During the period the CPSU negotiated 47 agency agreements. In addition to hundreds of media comments and internal publications, the union ran dozens of major campaigns and issued more than 700 bulletins to members.

Providing support to members

During the year our Member Service Centre answered 13,696 inquiries. The leading source of these enquiries included: workers' compensation; workplace disputes; harassment; leave; remuneration and grading; and redundancy. Of the inquiries received the MSC:

- provided advice on 10,853 occasions
- completed 1297 matters
- made 246 legal referrals
- recovered 984 memberships.

Sound financial position

Over the last 3 years we have sought to consolidate the union's financial position through:

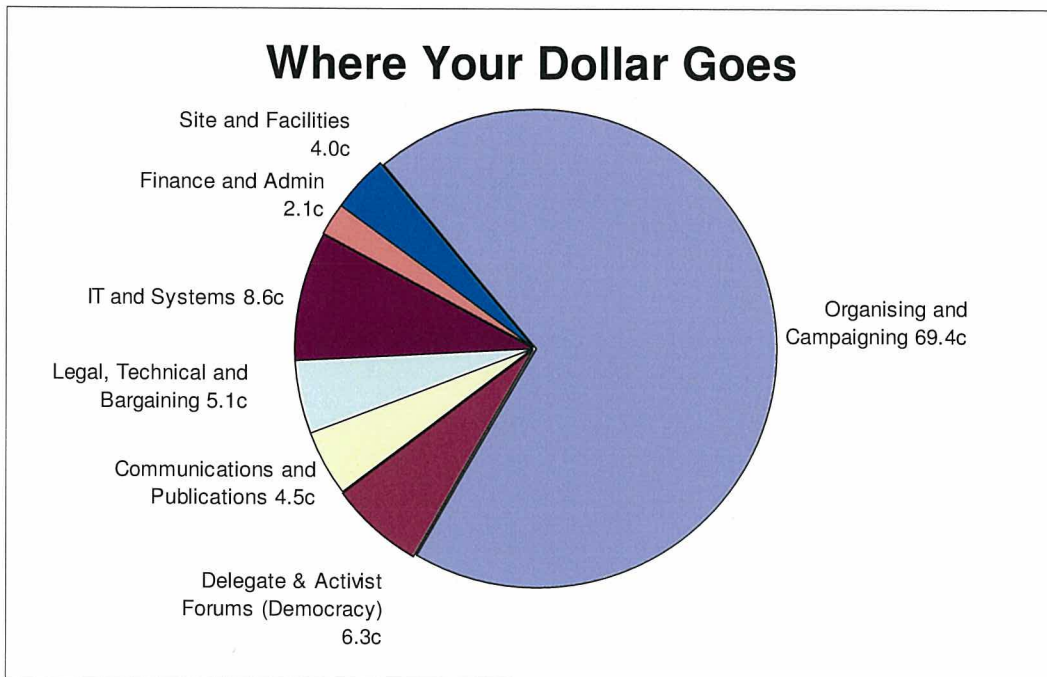
- improving revenue collection with a focus on reducing unfinancial membership
- reducing non-operational expenditure by negotiating better deals with our providers
- instigating a special purpose levy to enable us to increase our campaign capacity around IR laws and public services.

CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
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OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2008

This has enabled us to increase the number of organisers, research and industrial staff. At the same time we have sought to secure the union's future by increasing our reserves.

We employ a total of 204 staff (as at 30th June 2008) and ensure that 70% of all income goes to organising.



Membership

The CPSU (excluding CSIRO Section) had a total membership of 55,462 as at the 30th of June 2008.

Members have the right to resign in accordance with Schedule 1b s174 of the Workplace Relations Act 1996 in conjunction with CPSU rule 5.3 Resignation of Membership.

Executive Committee

Persons who were members of the Executive Committee during the year are as follows:

Name	Period in Office
Stephen Jones	1 July 2007 – 30 June 2008
Margaret Gillespie	1 July 2007 – 4 April 2008
Mark Gepp	1 July 2007 – 30 June 2008
Lisa Newman	1 July 2007 – 30 June 2008
Graham Rodda	1 July 2007 – 4 April 2008
Louise Persse	1 July 2007 – 30 June 2008
Michael Tull	1 July 2007 – 30 June 2008
Nadine Flood	4 April 2008 – 30 June 2008
Rupert Evans	4 April 2008 – 30 June 2008

CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
GOVERNING COUNCIL

OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2008

During the year the Executive Committee held five in face meetings and one by Teleconference.

3.2007	3-5 July	Sydney
4.2007	3-4 October	Canberra
5.2007	20 November	Teleconference
1.2008	13-14 February	Melbourne
2.2008	21-22 April	Sydney
3.2008	6 June	Sydney

Statement on Superannuation Trustees

Peter Feltham is the CPSU officer who is known to be:

- i) a trustee of a superannuation entity or an exempt public sector superannuation scheme; or
- ii) a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme.

This report has been prepared in accordance with the requirements of the Registration and Accountability of Organisations (RAO) schedule 1b to the Workplace Relations Act 1996.



Stephen Jones
National Secretary

26 November 2008

General Purpose Financial Report
Financial Year Ending 30th June 2008

CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
GOVERNING COUNCIL
GENERAL PURPOSE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2008

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
GOVERNING COUNCIL**

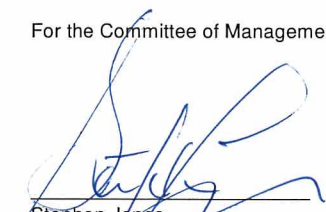
COMMITTEE OF MANAGEMENT STATEMENT

On the 25th of November 2008, the Committee of Management of CPSU Group Governing Council passed the following resolution in relation to the general purpose financial report of the reporting unit for the financial year ended 30 June 2008:

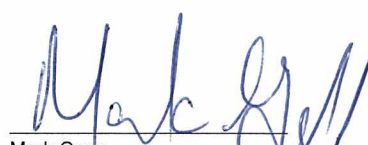
The Committee of Management declares in relation to the general purpose financial report that in its opinion:

- a) the financial statements and notes comply with Australian Accounting Standards;
- b) the financial statements and notes comply with the Reporting Guidelines of the Industrial Registrar;
- c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relates;
- d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- e) during the financial year to which the general purpose financial report 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 RAO Schedule and the RAO Regulations; and
 - iv. where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as is practicable, in a consistent manner to each of the other reporting units of the organisation; and
 - v. the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO schedule has been furnished to the member or Registrar; and
 - vi. there have been no orders for inspection of the financial records made by the Commission under section 273 of the RAO schedule during the year.

For the Committee of Management:



Stephen Jones
National Secretary



Mark Gepp
Assistant National Secretary

Dated at Sydney this 25th day of November 2008.

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
GOVERNING COUNCIL
INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2008**

	<u>Note</u>	<u>2008</u>	<u>2007</u>
		\$	\$
Revenues from ordinary activities	4	23,298,756	21,740,530
Depreciation and Amortisation	4	(1,149,596)	(1,117,620)
Employee Benefits Expense	4	(13,233,496)	(12,433,389)
Borrowing Costs		(1,651)	(1,816)
Other expenses from ordinary activities		<u>(8,300,887)</u>	<u>(7,109,947)</u>
SURPLUS FOR THE YEAR		<u><u>613,126</u></u>	<u><u>1,077,758</u></u>

To be read in conjunction with the Notes to and forming part of the financial statements

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
GOVERNING COUNCIL
BALANCE SHEET
FOR THE YEAR ENDED 30 JUNE 2008**

	<u>Note</u>	<u>2008</u>	<u>2007</u>
		\$	\$
CURRENT ASSETS			
Cash assets	6	7,975,133	6,079,485
Receivables	7	167,094	261,691
Other assets	8	<u>473,807</u>	<u>310,770</u>
TOTAL CURRENT ASSETS		<u>8,616,034</u>	<u>6,651,946</u>
NON-CURRENT ASSETS			
Property, plant and equipment	10	<u>11,287,152</u>	<u>11,902,177</u>
TOTAL NON-CURRENT ASSETS		<u>11,287,152</u>	<u>11,902,177</u>
TOTAL ASSETS		<u>19,903,186</u>	<u>18,554,123</u>
CURRENT LIABILITIES			
Payables	11	3,239,634	2,497,469
Provisions	12	<u>1,534,853</u>	<u>2,367,288</u>
TOTAL CURRENT LIABILITIES		<u>4,774,487</u>	<u>4,864,757</u>
NON CURRENT LIABILITIES			
Provisions	12	<u>1,232,227</u>	<u>406,020</u>
TOTAL NON-CURRENT LIABILITIES		<u>1,232,227</u>	<u>406,020</u>
TOTAL LIABILITIES		<u>6,006,714</u>	<u>5,270,777</u>
NET ASSETS		<u>13,896,472</u>	<u>13,283,346</u>
ACCUMULATED FUNDS			
Reserves	14	2,527,379	2,527,379
General Fund Balance		<u>11,369,093</u>	<u>10,755,967</u>
TOTAL ACCUMULATED FUNDS		<u>13,896,472</u>	<u>13,283,346</u>

The accompanying notes form part of these financial statements.

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
GOVERNING COUNCIL
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2008**

	Capital Profits and Asset Revaluation Reserve	Death and Benevolent Fund	Superannuation Trust Fund	General Fund	Total
Balance at 1 July 2006	2,441,631	69,164	16,584	9,678,209	12,205,588
Net Surplus for the Year	-	-	-	1,077,758	1,077,758
	<u>2,441,631</u>	<u>69,164</u>	<u>16,584</u>	<u>10,755,967</u>	<u>13,283,346</u>
Balance at 1 July 2007	2,441,631	69,164	16,584	10,755,967	13,283,345
Net profit for the year	-	-	-	613,126	613,126
	<u>2,441,631</u>	<u>69,164</u>	<u>16,584</u>	<u>11,369,093</u>	<u>13,896,471</u>

To be read in conjunction with the Notes to and forming part of the financial statements.

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
GOVERNING COUNCIL
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2008**

	Note	2008	2007
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members and others		22,883,103	21,428,960
Payments to suppliers and employees		(20,876,628)	(18,659,932)
Interest received		425,395	249,826
Borrowing costs paid		(1,651)	(1,816)
Net cash provided by operating activities	15(b)	2,430,219	3,017,038
CASH FLOW FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		(534,570)	(223,327)
Net cash (used in) investing activities		(534,570)	(223,327)
Net Increase in cash held		1,895,649	2,793,711
Cash at beginning of financial year		6,079,485	-
Cash at end of financial year		7,975,134	6,079,485

To be read in conjunction with the Notes to and forming part of the financial statements.

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
GOVERNING COUNCIL
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards, Urgent Issues Group Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Workplace Relations Act 1966 and the alteration to rules as approved by the Industrial Registrar.

The financial report has also been prepared on the basis of historical costs and does not take into account changing money values, except land and building, which is stated at independent valuation. Cost is based on the fair values of the consideration given in exchange for assets.

On 19 June 2001, the Deputy Industrial Registrar approved changes to certain rules pertaining to financial management. Those changes included, amongst others, preparation of a single set of accounts for the PSU group for the year ended 30 June 2002 and beyond. Resulting from the change, all funds, property and liabilities of the Sections, Branches and Professional Division as at 30 June 2001 were transferred to the Governing Council

The following is a summary of the material policies adopted by the Governing Council in the preparation of the financial statements.

a. Statement of Compliance

Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRSs ensures that the financial statements and notes comply with International Financial Reporting Standards.

CPSU group has prepared the financial statements in accordance with AIFRS from 1 July 2005.

b. Impairment of Assets

Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

c. Property, Plant and Equipment

Property, plant and equipment are brought to account at cost or independent valuation less, where applicable, any accumulated depreciation or amortisation.

The depreciable amount of all fixed assets and capitalised lease assets, excluding freehold land, is depreciated on a straight line basis over their useful lives commencing from the time the asset is held ready for use.

The depreciation rates used for each class of asset are:

CLASS OF FIXED ASSET	DEPRECIATION RATE
Land and Buildings	2.50%
Leasehold Improvement	over lease period
Freehold improvement	10 - 20%
Computer System	20%
Office Equipment	5-40%
Leased Office Equipment	19%
Telephone System	20 - 33.33%
Information Systems Project	20%
CRM Membership System	25%
Website	100%

All minor purchases of assets (under \$2,000) are considered by the committee as having a useful life relative only to the period of purchase and as such are written off during that period.

d. Income Tax

No provision for income tax is necessary as "Trade Unions" are exempt from income tax under Section 50-5 of the Income Tax Assessment Act 1997.

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
GOVERNING COUNCIL
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

e. Employee Leave Entitlements

Provision is made for the Union's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with entitlements arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at the amounts expected to be paid when the liability is settled plus related on-costs. Other employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Contributions are made by the Union to employee superannuation funds and are charged as expenses when incurred.

f. Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the period in which they are incurred.

The Governing Council complies with AASB 117 in respect of finance leases, Finance leases are capitalised; a lease asset and liability equal to the present value of the minimum lease payments, excluding executory costs, are recorded at the inception of the lease. Contingent rentals are written off as an expense of the accounting period in which they are incurred. Capitalised lease assets are amortised on a straight line basis against the income of the accounting periods which are expected to benefit from their use.

g. Investments

Investments are stated at cost less provision for diminution in value. This represents seed funding to the wholly controlled company Shared Advantage Limited (formerly CPSU Advantage Limited). Dividend income is brought to account on a receipts basis.

h. Revenue

Revenue from the rendering of a service is recognised upon the delivery of service to the members.

Interest revenue is recognised on a proportional basis taking into account the interest rate applicable to the financial assets.

All revenue is stated net of the amount of goods and services tax (GST).

i. Comparative Information

Where necessary comparative amounts have been reclassified to facilitate preparation of the current year accounts.

NOTE 2: INFORMATION TO BE PROVIDED TO MEMBERS OR THE REGISTRAR

In accordance with the requirements of the Workplace Relations Act 1996 Schedule 1B (RAO), the attention of members is drawn to the provisions of subsections (1), (2) and (3) of section 272 which read as follows:

- (1) A member of an organisation, or a Registrar, may apply to the organisation for specified prescribed information in relation to the organisation.
- (2) An organisation shall, on application made under subsection (1) by a member of the organisation or a Registrar, make the specified information available to the member or Registrar in such manner, and within such time, as is prescribed.
- (3) A Registrar may only make an application under subsection (1) at the request of a member of the organisation concerned, and the Registrar shall provide to a member information received because of an application made at the request of the member.

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
GOVERNING COUNCIL
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008**

	2008	2007
	\$	\$
NOTE 3: REVENUE		
Operating activities		
Subscriptions Received (net of refunds and charges)	21,338,277	20,200,086
Interest Received	425,395	249,826
Management Fee - CSIRO Staff Association	80,313	90,032
Rental Trading - CPSU Properties	1,450,848	1,165,930
Sundries	3,923	34,656
	<u>23,298,756</u>	<u>21,740,530</u>
 Total Revenue	<u>23,298,756</u>	<u>21,740,530</u>
 NOTE 4: SURPLUS FROM ORDINARY ACTIVITIES		
 (a) Expenses		
Fees for payroll deduction for subscriptions	15,669	23,362
Depreciation and amortisation		
- Computer equipment	76,327	108,827
- Motor Vehicle	-	-
- Buildings	173,496	173,496
- Office Equipment	59,014	57,305
- Telephone System	25,757	25,757
- Leased Office Equipment	508	627
- Leasehold Improvements	74,072	89,709
- Freehold Improvements	189,851	184,396
- Information Systems Project	487,480	477,503
- Website	63,091	-
Total Depreciation and Amortisation	<u>1,149,596</u>	<u>1,117,620</u>
Remuneration of Auditor		
- Audit - Current Year	31,000	43,000
- Other Services	4,000	5,550
Employee Benefits		
- Salaries		
Elected Officials	755,497	730,157
Employees	10,660,779	9,885,015
- Long Service Leave		
Elected Officials	46,115	81,618
Employees	107,404	216,425
- Superannuation		
Elected Officials	127,196	115,894
Employees	1,474,384	1,353,197
Honoraria and Allowances	-	-
Other Related Expenses	62,121	51,083
Total Employee Benefits	<u>13,233,496</u>	<u>12,433,389</u>
Affiliation Fees	446,098	395,655
Legal and Professional Fees	(5,313)	94,799
 (b) Significant Expenses	<u>-</u>	<u>-</u>
The following significant expense is relevant in explaining its financial performance		
- Journey Insurance	<u>212,568</u>	<u>-</u>

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
GOVERNING COUNCIL
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008**

	2008	2007
	\$	\$
NOTE 5: GRANTS & DONATIONS		
Included in others expense from ordinary activities are grants and donations:		
Trades and Labour Council WA	1,000	2,000
ACTU Member Connect Melbourne		2,750
Linda Burney Campaign		2,000
Centre for Policy Development	40,000	10,000
Australian People for Humanitarian Education & Aid Abroad	44,000	44,000
Movember Foundation	250	
Zimbabwe Information Centre	364	
S.I.G.T.U.R.	6,796	
Australian Workers Union	227	
Labour Day Celebrations Committee	136	
Unions Tasmania	182	
8 Hour Day Tasmania	91	
Australian Labour Party (ACT)	400	
Gippsland Trades & Labour Council	32	-
Workers Out	100	-
ABC Scholarship	900	-
APHEDA	182	-
Sydney May Day Committee	100	
Australian Peace Committee (SA)	100	
	<u>94,860</u>	<u>60,750</u>
NOTE 6: CASH		
Cash on Hand	5,000	4,500
Cash at Bank	7,843,002	5,952,644
Term Deposits	127,131	122,341
	<u>7,975,133</u>	<u>6,079,485</u>
NOTE 7: RECEIVABLES		
Sundry debtors	167,094	261,691
	<u>167,094</u>	<u>261,691</u>
NOTE 8: OTHER		
Prepayments	387,582	279,830
Owing by related party 16(a)	86,225	30,940
	<u>473,807</u>	<u>310,770</u>
NOTE 9: FINANCIAL ASSETS		
Seed Funding to Shared Advantage Limited		
- At cost	225,000	225,000
- Less Provision for Diminution in Value	(225,000)	(225,000)
	<u>-</u>	<u>-</u>
NOTE 10: PROPERTY, PLANT AND EQUIPMENT		
Land and Buildings		
Freehold land and buildings at independent valuation 1998:		
Thomas Street, Sydney	10,200,000	10,200,000
Woods Street, Darwin	390,000	390,000
	<u>10,590,000</u>	<u>10,590,000</u>
Less Accumulated Depreciation	(1,734,976)	(1,561,480)
Net Land and Buildings	<u>8,855,024</u>	<u>9,028,520</u>
Leasehold Improvements		
Bourke St, Melbourne	-	344,257
Less - Equitable - CSIRO Section	-	(44,240)
	<u>-</u>	<u>300,017</u>
Hobart	6,935	6,935
Creek Street, Brisbane	41,329	41,329
Hay Street, Perth	157,927	157,927
Brisbane Ave, Canberra	223,453	223,453
Henley Beach Road, Adelaide	16,722	16,722
Albert St, Brisbane	7,476	7,476
Collins St, Melbourne	396,954	-
	<u>850,796</u>	<u>753,859</u>
Less Accumulated Depreciation	(409,680)	(635,623)
Net Leasehold Improvements	<u>441,116</u>	<u>118,236</u>

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
GOVERNING COUNCIL
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008**

	2008	2007
	\$	\$
NOTE 10: PROPERTY, PLANT AND EQUIPMENT (Cont'd)		
Freehold Improvements		
Thomas Street, Sydney	1,921,957	1,841,170
Woods Street, Darwin	3,525	3,525
	1,925,482	1,844,695
Less Accumulated Depreciation	(914,198)	(724,348)
Net Freehold Improvements	1,011,284	1,120,347
Computer System		
At Cost	3,222,177	3,195,933
Less Accumulated Depreciation	(3,083,786)	(3,007,459)
Net Computer System	138,391	188,474
Office Equipment		
At Cost	2,695,501	2,682,031
Less Accumulated Depreciation	(2,506,079)	(2,446,558)
Net Office Equipment	189,422	235,473
Telephone System		
At Cost	935,539	935,539
Less Accumulated Depreciation	(929,099)	(903,342)
Net Telephone System	6,440	32,197
Information Systems Project		
At Cost	213,406	213,406
Less Accumulated Depreciation	(188,508)	(145,827)
Net Information Systems Project	24,897	67,579
CRM/Membership System		
At Cost	1,788,154	1,773,664
Less Accumulated Depreciation	(1,167,577)	(722,779)
Net CRM/Membership System	620,576	1,050,885
Website		
At Cost	63,091	60,466
Less Accumulated Depreciation	(63,091)	-
	-	60,466
Total Property, Plant and Equipment	11,287,150	11,902,177

CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
GOVERNING COUNCIL
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

NOTE 10: PROPERTY, PLANT AND EQUIPMENT (Cont'd)

(a) Movements in Carrying Amounts

Movement in carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year

	Balance at beginning of year	Additions	Depreciation expense	Carrying amount at end of year
Land and Buildings	9,028,520	-	173,496	8,855,024
Leasehold Improvements	118,235	396,952	74,072	441,115
Freehold Improvements	1,120,347	80,788	189,851	1,011,284
Computer Equipment	188,474	26,245	76,327	138,392
Office Equipment	235,473	13,470	59,522	189,421
Website	60,466	2,625	63,091	-
Telephone System	32,197	-	25,757	6,440
Information Systems Project	67,579	-	42,681	24,898
CRM/Membership System	1,050,886	14,490	444,799	620,577
TOTAL	11,902,177	534,570	1,149,596	11,287,150

	2008	2007
	\$	\$

NOTE 11: PAYABLES

CURRENT

Accounts Payable and Accruals	2,072,217	861,559
YRAW Levy Fund	1,042,113	1,049,278
GST Payable/ (Refund)	(1,827)	464,291
Rental Bond	127,131	122,341
	<u>3,239,634</u>	<u>2,497,469</u>

NOTE 12: PROVISIONS (EMPLOYEE ENTITLEMENTS)

CURRENT

Annual Leave		
holders of office	151,825	118,849
other employees	1,029,377	876,728
	<u>1,181,202</u>	<u>995,577</u>
Long Service Leave		
holders of office	66,065	359,541
other employees	287,586	1,012,170
	<u>353,651</u>	<u>1,371,711</u>
TOTAL CURRENT	<u>1,534,853</u>	<u>2,367,288</u>

NON CURRENT

Long Service Leave		
holders of office	230,191	-
other employees	1,002,036	406,020
TOTAL NON CURRENT	<u>1,232,227</u>	<u>406,020</u>

Aggregate Employee Benefit Liability	<u>2,767,080</u>	<u>2,773,308</u>
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Number of employees at year end	204	201
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NOTE 13: CAPITAL AND LEASING

a) Operating Lease Commitments

Payable:

- not later than 1 year

- later than 1 year but not later than 5 years

Balance at the end of the year

917,760	444,007
<u>2,482,892</u>	<u>503,380</u>
<u>3,400,652</u>	<u>947,387</u>

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
GOVERNING COUNCIL
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008**

	2008	2007
	\$	\$
NOTE 14: RESERVES		
Capital Profits and Asset Revaluation Reserve	2,441,631	2,441,631
Death and Benevolent Fund	69,164	69,164
Superannuation Trust Fund	16,584	16,584
Balance at the end of the year	2,527,379	2,527,379
 NOTE 15: CASH FLOW INFORMATION		
(a) Reconciliation of Cash		
For the purposes of the statement of cash flows, cash includes:		
Cash on Hand	5,000	4,500
Cash at Bank	7,843,002	5,952,644
Term Deposits	127,131	122,341
	7,975,133	6,079,485
 (b) Reconciliation of Cash Flow from Operations with Operating Surplus		
Operating surplus	613,126	1,077,758
Non cash flow in operating surplus:		
Depreciation and amortisation	1,149,596	1,117,620
Changes in assets and liabilities:		
(Increase)/Decrease in trade debtors	94,597	(64,749)
(Increase)/Decrease in prepayments	(107,753)	(3,183)
(Increase)/Decrease in other assets	(55,285)	3,005
Increase/(Decrease) in provisions	(6,227)	201,642
Increase/(Decrease) in trade creditors	742,165	684,945
Net cash provided by operating activities	2,430,219	3,017,038
 (c) Credit standing arrangements with Bank:		
Credit Facility	3,250,000	1,250,000
Amount Utilised	-	-

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
GOVERNING COUNCIL
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008**

	2008	2007
	\$	\$
NOTE 16: RELATED PARTY INFORMATION		
(a) Receivable from Related Party		
Shared Advantage Limited	86,225	30,940
	86,225	30,940

The amount receivable is unsecured and interest free.

(b) CSIRO Members

CPSU, the Community and Public Sector Union, Governing Council, received all subscriptions paid by members during 2007/2008 other than subscriptions paid by CSIRO Section members.

(c) Remuneration of Elected Officials

Persons holding the position of full-time elected officials during the year of the Executive Committee, or the branches/sections and the Professional Division:

Name	Period in Office
Stephen Jones	1 July 2007 - 30 June 2008
Margaret Gillespie	1 July 2007 - 4 April 2008
Mark Gepp	1 July 2007 - 30 June 2008
Lisa Newman	1 July 2007 - 30 June 2008
Graham Rodda	1 July 2007 - 4 April 2008
Louise Persse	1 July 2007 - 30 June 2008
Michael Tull	1 July 2007 - 30 June 2008
Nadine Flood	4 April 2008 - 30 June 2008
Rupert Evans	4 April 2008 - 30 June 2008

NOTE 17: FINANCIAL INSTRUMENTS

(a) Interest Rate Risk

Interest rate risk is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates. The Governing Council's exposure to interest rate risk as at 30 June 2008 is limited to cash and term deposits of \$7,975,133

(b) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any provisions for doubtful debts, as disclosed in the statement of financial position and notes to the financial statements.

(c) Net Fair Values

For other assets and other liabilities, the net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and notes to and forming part of the financial statements.

NOTE 18: CONTINGENT LIABILITIES

(a) Guarantees

Guarantees for security deposits	127,131	121,044
Bank Guarantees	442,153	171,855
	569,284	292,899

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
GOVERNING COUNCIL**

**INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2008**

	2008	2007
	\$	\$
REVENUE		
Subscriptions Received (net of refunds and charges)	21,338,277	20,200,086
Interest Received	425,395	249,826
Management Fees	80,313	90,032
Rental Income	1,450,848	1,165,930
Sundries	3,923	34,656
Gain/Loss on Sale of Asset	-	-
TOTAL REVENUE	23,298,756	21,740,530
LESS EXPENDITURE		
Salaries and Related Payments		
- Elected Officials	755,497	730,157
- Fringe Benefits Tax	2,620	4,919
- Honoraria and Allowances	-	-
- Long Service Leave Provision	153,519	298,043
- Other Salaries	62,121	51,083
- Payroll Tax	750,212	679,679
- Employee Salaries	10,660,779	9,885,015
- Superannuation	1,601,580	1,469,091
- Workers' Compensation Insurance	264,693	228,939
- Other related expenses	429,489	285,319
Total Salaries and Related Payments	14,680,510	13,632,245
Affiliation fees	446,098	395,655
Audit and Accounting Fees	42,955	48,995
Bank Charges	2,596	3,231
Consultants Fees	-	-
Computer Operation and Maintenance	593,218	578,511
Depreciation and Amortisation	1,149,596	1,117,620
Donations	94,860	62,157
Furniture and Equipment	33,101	66,972
Interest Expense and line fees	1,651	1,816
Legal and Professional fees	(5,313)	94,799
Library Purchases	52,540	46,834
Membership Services	12,704	4,941
Motor Vehicle Expenses	315,986	312,833
Office Operation and Administration	975,413	935,221
Office Premises and Relocation	1,159,788	943,046
Postage and Freight	70,032	82,179
Publications (includes printing costs)	450,196	243,052
Representations	1,455,089	1,172,561
Telephones	1,154,610	920,104
	8,005,120	7,030,527
Total Expenditure	22,685,630	20,662,772
Operating Surplus for the year	613,126	1,077,758

Auditor's Report

Financial Year Ending 30th June 2008

AUDITORS' REPORT

TO THE MEMBERS OF THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP, GOVERNING COUNCIL

Scope

We have audited the financial report comprising the Income Statement, Statement of Changes in Equity, Balance Sheet, Cash Flow Statement and Notes to the Financial Statements of the CPSU, the Community and Public Sector Union for the year ended 30 June 2008. The Executive Committee of Management is responsible for the financial report. We have conducted an independent audit on this financial report in order to express an opinion on it to the members of the National Executive.

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 the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Australian Accounting Standards and other mandatory professional reporting requirements and statutory requirements so as to present a view of the Transitional Governing Council which is consistent with our understanding of the Transitional Governing Council's financial position and the results of its operations and its cash flows.

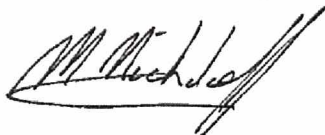
The audit opinion expressed in this report has been formed on the above basis.

Audit opinion

We have inspected and audited the accounting records kept by the CPSU, the Community and Public Sector Union in respect of the year ended 30 June 2008 and have received all the information and explanations we required for the purposes of our audit.

In our opinion:

- (i) there were kept by the organisation, in respect of the period, satisfactory accounting records detailing the sources and nature of the income of the organisation (including income from members) and the nature and purposes of expenditure; and
- (ii) the general purpose financial report is presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of Schedule 1 (RAO Schedule) of the Workplace Relations Act 1996.



M D Nicholaeff

Partner

Signed at Sydney on 10 December 2008

UHY Haines Norton

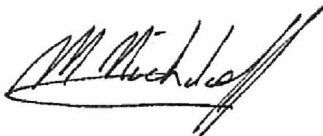
UHY HAINES NORTON
Chartered Accountants

**CPSU, THE COMMUNITY AND PUBLIC SECTOR UNION, PSU GROUP
GOVERNING COUNCIL**

**ADDITIONAL INFORMATION FOR THE BENEFIT OF MEMBERS
ON THE 2008 FINANCIAL ACCOUNTS**

DISCLAIMER

The additional financial data presented in the statement of financial performance is in accordance with the books and records of Community and Public Sector Union, PSU Group, National Council which have been subjected to the auditing procedures applied in our statutory audit of the Union for the year ended 30 June 2008. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and no warranty of accuracy or reliability is given. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than our client) in respect of such data, including any errors or omissions therein however caused.



M D NICHOLAEFF
Partner

Signed at Sydney on 10 December 2008

UHY Haines Norton

UHY HAINES NORTON
Chartered Accountants