

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
THE COMMUNITY AND PUBLIC SECTOR UNION / SPSF GROUP
SOUTH AUSTRALIAN BRANCH**

Report on the Financial Report

The Financial report and Councillors' responsibility

We have audited the accompanying financial report of The Community and Public Sector Union/SPSF Group South Australian Branch ("the Branch") which comprises the Income Statement, Balance Sheet, Statement of Recognised Income and Expense, Statement of Cash Flows, accompanying notes, and the certificate by the Branch Council for the financial year ended 30 June 2007.

The Branch's Councillors are responsible for the financial report in accordance with Schedule 1 of the Workplace Relations Act 1996 (the RAO Schedule). This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards in order to provide reasonable assurance whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected. We performed procedures to assess whether in all material respects, the financial report presents fairly in accordance with the RAO Schedule and Australia Accounting Standards, a view which is consistent with our understanding of the Branch's financial position, and of its performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Councillors.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Auditor's opinion on the financial report

In our opinion the general purpose financial report is presented fairly in accordance with applicable Australian Accounting Standards and the requirements of the RAO Schedule.



KPMG



IK Footer

Partner & Registered

Company Auditor

Dated at Adelaide this 15th day of August 2007.

THE COMMUNITY AND PUBLIC SECTOR UNION / SPSF GROUP

SOUTH AUSTRALIAN BRANCH

COMMITMENT BY MANAGEMENT

I, JAN McMAHON being the officer responsible for THE COMMUNITY AND PUBLIC SECTOR UNION \ SPSF GROUP SOUTH AUSTRALIAN BRANCH, certify that as at 30 June, 2007 the number of members of the Branch was 15,069, and do state on behalf of the Council, and in accordance with a resolution passed by the Council on the 1st August 2007, that:-

- (a) the financial statements and notes comply with the 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 relate;
- (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; and
- (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 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 Schedule 1 of the Workplace Relations Act 1996 (the Registration and Accountability of Organisations (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 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 has been compliance with any order for inspection of the financial records made by the Commission under section 273 of the RAO Schedule.

Dated at Adelaide this day of August 2007.



JAN McMAHON
BRANCH SECRETARY

THE COMMUNITY AND PUBLIC SECTOR UNION / SPSF GROUP

SOUTH AUSTRALIAN BRANCH

INCOME STATEMENT

FOR THE YEAR ENDED 30 JUNE, 2007

	2007	2006
	\$	\$
Revenue - membership contributions	257,122	232,904
Financial income - interest received	<u>563</u>	<u>573</u>
Total Revenue	<u>257,685</u>	<u>233,477</u>
Audit fees	3,000	2,500
Affiliation Fees ACTU	38,574	33,630
Bank charges and stamp duty	54	4
Bank debits tax	-	37
Consultants' Fees	1,500	-
EDP costs	4,033	7,936
Staff salaries paid	16,703	16,611
Staff salaries recovered	(16,703)	(16,611)
Capitation fee paid to Federal Office	<u>210,095</u>	<u>189,326</u>
Total expenditure	<u>257,256</u>	<u>233,433</u>
Profit for year	5	44
	<u>429</u>	<u>44</u>

The above Income Statement should be read in conjunction with the accompanying notes set out on pages 6 to 8.

THE COMMUNITY AND PUBLIC SECTOR UNION / SPSF GROUP

SOUTH AUSTRALIAN BRANCH

BALANCE SHEET AS AT 30 JUNE 2007

	Note	2007 \$	2006 \$
Current Assets			
Cash and cash equivalents	4	119,557	120,023
Trade and other receivable		<u>8,430</u>	<u>6,544</u>
Total Assets		<u>127,987</u>	<u>126,567</u>
Current Liabilities			
Trade and other payables		<u>3,937</u>	<u>2,946</u>
Total Liabilities		<u>3,937</u>	<u>2,946</u>
Net Assets		<u>124,050</u>	<u>123,621</u>
Equity			
Retained earnings	5	<u>124,050</u>	<u>123,621</u>
Total equity attributable to equity holders		<u>124,050</u>	<u>123,621</u>

**STATEMENT OF RECOGNISED INCOME AND EXPENSE
FOR THE YEAR ENDED 30 JUNE 2007**

	2007 \$	2006 \$
Profit for the period	429	44
Total recognised income and expense for the period	<u>429</u>	<u>44</u>
Attributable to:		
Equity holder	<u>429</u>	<u>44</u>

There are no other movements in equity arising from transactions with owners.

The above Balance Sheet and Statement of Recognised Income and Expense should be read in conjunction with the accompanying notes set out on pages 6 to 8.

THE COMMUNITY AND PUBLIC SECTOR UNION / SPSF GROUP

SOUTH AUSTRALIAN BRANCH

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2007

	Note	2007 \$	2006 \$
Cash flows from operating activities			
Receipts from members and associated body		254,713	271,146
Receipts from others		-	-
Interest received		563	573
Payments to associated bodies		(253,732)	(230,918)
Payments to suppliers		<u>(2,010)</u>	<u>(2,628)</u>
Net cash from/(used in) operating activities	3	<u>(466)</u>	<u>38,173</u>
Increase(decrease) in cash and cash equivalents		(466)	38,173
Cash and cash equivalents at beginning of financial year		<u>120,023</u>	<u>81,850</u>
Cash and cash equivalents at end of financial year	4	<u><u>119,557</u></u>	<u><u>120,023</u></u>

The above Statement of Cash Flows should be read in conjunction with the accompanying notes set out on pages 6 to 8.

THE COMMUNITY AND PUBLIC SECTOR UNION / SPSF GROUP

SOUTH AUSTRALIAN BRANCH

NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS

FOR THE YEAR ENDED 30 JUNE, 2007

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The branch is domiciled in Australia.

The financial report was authorised for issue by the Council on 1 August 2007.

(a) Statement of Compliance

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards ("AASB") and Schedule 1 of the Workplace Relations Act 1996 (the RAO Schedule).

(b) Basis of Preparation

The financial report is presented in Australian dollars. The financial report is prepared on the historical cost basis.

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. These accounting policies have been consistently applied.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and the future periods if the revision affects both current and future periods.

The accounting policies set out below have been applied consistently to all periods presented in the financial report.

(c) Trade and other receivables are stated at their cost less impairment losses.

(d) Trade and other payables are recognised for amounts to be paid in the future for goods or services received, whether or not billed to the organisation. Trade accounts payable are usually settled within 30 days.

(e) Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position. Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

THE COMMUNITY AND PUBLIC SECTOR UNION / SPSF GROUP

SOUTH AUSTRALIAN BRANCH

NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS

FOR THE YEAR ENDED 30 JUNE, 2007

2. INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of Schedule 1 of the Workplace Relations Act 1996 , the attention of members is drawn to the provisions of subsections (1), (2), (3) of Section 272, which reads as follows:-

- (1) A member of a reporting unit, or a Registrar, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- (3) A reporting unit must comply with an application made under subsection (1)

	2007 \$	2006 \$
3. Reconciliation of net cash provided by operating activities with operating profit		
Profit for the year	429	44
(Increase)/Decrease in accounts receivable Current	(1,886)	38,268
Increase/(decrease) in creditors & borrowings Current	991	(139)
Net cash from/(used in) operating activities	<u>(466)</u>	<u>38,173</u>
4. Cash and cash equivalents		
Cash at bank	<u>119,557</u>	<u>120,023</u>
5. Retained earnings		
Balance at beginning of year	123,621	123,577
Profit for the year	429	44
Balance at end of year	<u>124,050</u>	<u>123,621</u>

THE COMMUNITY AND PUBLIC SECTOR UNION / SPSF GROUP

SOUTH AUSTRALIAN BRANCH

NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS

FOR THE YEAR ENDED 30 JUNE, 2007

6. RELATED PARTY DISCLOSURES

(a) Councillors

The names of each person holding the position of councillor during the financial year are listed below. The persons listed held the position for the whole year unless otherwise stated.

Beck	Andrew	
Bell-Corkin	Patricia	
Boland	Marie	from 01/07/06-16/10/06
Bryant	Lynn	from 01/07/06-27/05/07
Burford	Lesley	from 18/06/07
Callaghan	Stephen	
Di Pardo	Sonia	
Griffiths	Michael	
Hall	Christopher	
Hadaway	Jeffrey	
Henderson	Sharon	from 18/06/07
Hewish	Peter	
Howell	Bernadette	
Hughes	Lesley	
Kitchin	Neville	
Kirkham	John	
Martin	Bev	from 01/07/06-12/06/07
Martin	Jo-anne	
McKay	Mike	
McComb	James	
McMahon	Jan	
Millison	Linda	
Naumov	Dianne	
Owen	John	
Oxlad	Lindsay	
Rankine	Di	
Reilly	Peter	from 28/05/07
Stitt	Robyn	
Townsend	Malcolm	
Warner	Margaret	
Warren	Graham	
Weber	Linda	
Williams	Wendy	
Wilson	Rosanne	

(b) Councillors' remuneration

No amounts were paid to councillors during the financial year.

CPSU (SPSF GROUP) SA BRANCH

OPERATING REPORT

S254 of Schedule 1 Workplace Relations Act 1996

I, Jan McMahon being the Branch Secretary of the CPSU/ (SPSF Group) – SA Branch state;

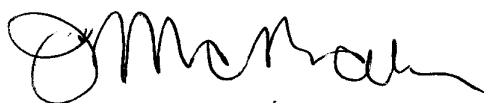
- (a) Principal activities during the year were of an Industrial nature including campaigning for improved wages and conditions. Activities are reviewed throughout the year, with no change deemed necessary to the nature of activities.
- (b) Financial affairs. No significant changes.
- (c) Resignation procedure.

A member may resign from membership in accordance with Rule 8 by notice in writing to the Branch Secretary, 122 Pirie St. Adelaide SA 5000.

In accordance with S.174 of the Workplace Relations Act two weeks notice shall apply for resignation, other than where the member leaves the industry in which case no notice period is required.

- (d) Superannuation Trustees;
 - Jan McMahon, Branch Secretary – Superannuation Funds Management Corporation, State Superannuation Board
 - Lindsay Oxlad, President – Statewide Superannuation Trust
- (e) Number of members, 15,069
- (f) Number of employees, 46
- (g) Persons who have been a member of the Committee of Management of the reporting unit at any time during the reporting period, and the period of which they held the position (Attached).

JAN McMAHON
BRANCH SECRETARY



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Date:

1/08/07

THE COMMUNITY AND PUBLIC SECTOR UNION / SPSF GROUP

SOUTH AUSTRALIAN BRANCH

NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS

FOR THE YEAR ENDED 30 JUNE, 2007

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Di Pardo	Sonia	
Griffiths	Michael	
Hall	Christopher	
Hadaway	Jeffrey	
Henderson	Sharon	from 18/06/07
Hewish	Peter	
Howell	Bernadette	
Hughes	Lesley	
Kitchin	Neville	
Kirkham	John	
Martin	Bev	from 01/07/06-12/06/07
Martin	Jo-anne	
McKay	Mike	
McComb	James	
McMahon	Jan	
Millison	Linda	
Naumov	Dianne	
Owen	John	
Oxlad	Lindsay	
Rankine	Di	
Reilly	Peter	from 28/05/07
Stitt	Robyn	
Townsend	Malcolm	
Warner	Margaret	
Warren	Graham	
Weber	Linda	
Williams	Wendy	
Wilson	Rosanne	