

Public Service Association of NSW

ABN 83 717 214 309

Concise Financial Statements

For the Year Ended 31 December 2017

Public Service Association of NSW

ABN 83 717 214 309

	Page
Financial Statements	
Relationship of the concise financial report to the full financial report	2
Auditor's Independence Declaration	3
Statement of Profit or Loss and Other Comprehensive Income	4
Statement of Financial Position	5
Statement of Changes in Equity	6
Statement of Cash Flows	7
Notes to the Financial Statements	8
Statement of Executive Committee	10
Independent Auditor's Report	11

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Relationship Of The Concise Financial Report To The Full Financial Report

The concise financial report is an extract from the full financial report for the year ended 31 December 2017. The financial statements and specific disclosures included in the concise financial report have been derived from the full financial report.

The concise financial report cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of Public Service Association of NSW ("the Association") as the full financial report. Further financial information can be obtained from the full financial report.

The financial statements of the Association have been audited in accordance with the provisions of the New South Wales Industrial Relations Act 1996, and the following summary is provided for members in accordance with Section 517(2) of the Industrial Relations Act 1991, preserved as regulations under section 282(2) of the Industrial Relations Act 1996.

Certificates required to be given under the Act by the Accounting Officer and the Central Council have been completed in accordance with the provisions of the Act and contains no qualifications.

In accordance with the requirements of the New South Wales Industrial Relations Act 1996, the attention of members is drawn to the provision of sub-sections (1) and (2) of section 512 of the Industrial Relations Act 1991, which reads as follows:

- (1) A member of an organisation, or the Industrial Registrar, may apply to the organisation for specified information prescribed by the regulations in relation to the organisation.
- (2) An organisation must, on the making of such an application, make the specified information available to the member of the Industrial Registrar in the manner, and within the time, prescribed by the regulations.

The full financial report and auditor's report will be sent to members on request, free of charge. Please call Mr Michael Cairns on 1300 772 679 or email him at mcairns@psa.asn.au and a copy will be forwarded to you.

**PUBLIC SERVICE ASSOCIATION OF NSW
AUDITOR'S INDEPENDENCE DECLARATION**

As auditor of Public Service Association of NSW, I declare that, to the best of my knowledge and belief, during the year ended 31 December 2017 there have been no contraventions of any applicable code of professional conduct in relation to the audit.

Rothsay Audit & Assurance Pty Ltd



Michael Payne
Director

9 April 2018
Sydney

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 31 December 2017

		2017	2016
	Note	\$	\$
Revenue	2(a)	21,726,807	22,181,484
Other income	2(b)	7,283	9,657
Employee benefits expense		(14,989,703)	(15,201,816)
Depreciation and amortisation expense	3	(655,555)	(596,662)
Other expenses	3	(7,972,283)	(6,830,402)
Finance costs		(379,980)	(416,105)
(Loss) before income tax		(2,263,431)	(853,844)
Income tax expense		-	-
(Loss) from continuing operations		(2,263,431)	(853,844)
Other comprehensive income, net of income tax			
Items that will not be reclassified subsequently to profit or loss			
Actuarial gain on defined benefit pension plans		1,837,249	1,564,778
Items that will be reclassified to profit or loss when specific conditions are met			
Other comprehensive income for the year, net of tax		1,837,249	1,564,778
Total comprehensive income for the year		(426,182)	710,934

Public Service Association of NSW

ABN 83 717 214 309

Statement of Financial Position

As At 31 December 2017

	2017	2016
	\$	\$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	677,509	2,363,501
Trade and other receivables	746,993	808,833
Other financial assets	29,678,747	29,425,340
Other assets	496,816	655,190
TOTAL CURRENT ASSETS	31,600,065	33,252,864
NON-CURRENT ASSETS		
Trade and other receivables	73,321	20,061
Property, plant and equipment	29,785,209	29,820,450
TOTAL NON-CURRENT ASSETS	29,858,530	29,840,511
TOTAL ASSETS	61,458,595	63,093,375
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	1,345,799	1,566,179
Short-term provisions	4,210,700	4,213,300
Other financial liabilities	356,513	349,127
TOTAL CURRENT LIABILITIES	5,913,012	6,128,606
NON-CURRENT LIABILITIES		
Long-term provisions	13,044,259	14,037,263
TOTAL NON-CURRENT LIABILITIES	13,044,259	14,037,263
TOTAL LIABILITIES	18,957,271	20,165,869
NET ASSETS	42,501,324	42,927,506
EQUITY		
Reserves	25,202,281	25,202,281
Retained earnings	17,299,043	17,725,225
TOTAL EQUITY	42,501,324	42,927,506

Public Service Association of NSW

ABN 83 717 214 309

Statement of Changes in Equity

For the Year Ended 31 December 2017

2017

	Retained Earnings	Asset Realisation Reserve	Total
	\$	\$	\$
Balance at 01 January 2017	17,725,225	25,202,281	42,927,506
(Loss) attributable to members	(2,263,431)	-	(2,263,431)
Other comprehensive income for the year	1,837,249	-	1,837,249
Total comprehensive income for the year	(426,182)	-	(426,182)
Balance at 31 December 2017	17,299,043	25,202,281	42,501,324

2016

	Retained Earnings	Asset Realisation Reserve	Total
	\$	\$	\$
Balance at 01 January 2016	17,014,291	25,202,281	42,216,572
(Loss) attributable to members	(853,844)	-	(853,844)
Other comprehensive income for the year	1,564,778	-	1,564,778
Total comprehensive income for the year	710,934	-	710,934
Balance at 31 December 2016	17,725,225	25,202,281	42,927,506

Public Service Association of NSW

ABN 83 717 214 309

Statement of Cash Flows

For the Year Ended 31 December 2017

	2017	2016
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	23,108,555	23,200,992
Payments to suppliers and employees	(24,727,739)	(24,261,685)
Interest received	799,632	782,943
Net cash (used in) operating activities	<u>(819,552)</u>	<u>(277,750)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of plant and equipment	24,631	26,648
Purchase of property, plant and equipment	(637,664)	(428,552)
Purchase of bank term deposits	(253,407)	(79,140)
Net cash (used in) investing activities	<u>(866,440)</u>	<u>(481,044)</u>
Net (decrease) in cash and cash equivalents held	(1,685,992)	(758,794)
Cash and cash equivalents at beginning of year	<u>2,363,501</u>	<u>3,122,295</u>
Cash and cash equivalents at end of financial year	<u>677,509</u>	<u>2,363,501</u>

Public Service Association of NSW

ABN 83 717 214 309

Notes to the Concise Financial Statements

For the Year Ended 31 December 2017

1. Basis of Preparation of the Concise Financial Report

The concise financial report relates to Public Service Association of NSW ("the Association") for the year ended 31 December 2017.

The concise financial report has been prepared in accordance with Australian Accounting Standard AASB 1039: Concise Financial Reports. The accounting policies adopted have been consistently applied to all financial periods presented unless otherwise stated.

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

2 Revenue and Other Income

(a) Revenue

	2017	2016
	\$	\$
Operating revenue		
- subscriptions	20,266,753	20,830,599
Other revenue		
- interest revenue	844,553	959,881
- rental income	568,866	360,344
- other income	46,635	30,660
	<u>1,460,054</u>	<u>1,350,885</u>
Total Revenue	<u>21,726,807</u>	<u>22,181,484</u>

(b) Other Income

- net gain on disposal of property, plant and equipment	<u>7,283</u>	<u>9,657</u>
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3 Expenses

The result for the year includes the following specific expenses:

	2017	2016
	\$	\$
Depreciation		
Buildings	297,718	294,046
Furniture, fixtures and fittings	40,282	39,378
Plant and equipment	56,243	55,736
Motor vehicles	94,932	87,347
Computer equipment	166,380	120,155
Total depreciation	<u>655,555</u>	<u>596,662</u>

Notes to the Concise Financial Statements

For the Year Ended 31 December 2017

3. Expenses (continued)

Other expenses are made up of the following amounts:

	2017 \$	2016 \$
Composition of other expenses:		
Affiliation fees and levies	158,748	155,093
Arbitration	1,613,453	680,870
Campaign costs	171,357	403,201
Computer costs	333,629	297,054
Contributions	891,694	691,042
Insurance	609,708	563,656
Lease rentals on operating lease	232,408	229,112
Motor vehicle	100,500	70,622
Payroll tax	712,040	696,605
Postage, printing and stationery	360,371	313,634
Provident fund expenses	187,244	193,766
Rental expenses	572,878	545,786
Telephone and fax	433,356	426,981
Travel expenses	839,083	651,093
Other expenses	755,814	911,887
	<u>7,972,283</u>	<u>6,830,402</u>

4. Events after reporting period

The Association organised industrial action in light of the proposed privatisation of the Department of Ageing, Disability and Home Care. The Industrial Relations Commission prohibited the Association from such action and escalated the matter to the Supreme Court seeking an injunction and penalties if the industrial action was conducted. The Supreme Court Justice did not rule in favour of the injunction but confirmed that the Association's conduct warranted penalties (to a maximum of \$130,000) and the quantum of the penalties would be clarified at hearing in April 2017. The ruling was handed down on 12 April 2017. The Association sought leave to appeal on 1 August 2017. The NSW Court of Appeal reserved its decision on 14 November 2017. The matter was finalised on 14 March 2018 with the Supreme Court issuing a fine for \$25,000.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Association, the results of those operations or the state of affairs of the Association in future financial years.

Statement of Executive Committee

In accordance with a resolution of the Executive Committee of Public Service Association of NSW ("the Association"); the Executive of the Association declare that the concise financial report of Public Service Association of NSW for the financial year ended 31 December 2017, as set out on pages 4-9:

- (a) complies with Accounting Standard AASB 1039: Concise Financial Reports;
- (b) is an extract from the full financial report for the year ended 31 December 2017 and has been derived from and is consistent with the full financial report of Public Service Association of NSW; and;
- (c) cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Association as the full financial report, which is available on request.

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



President – Kylie McKelvie

Dated: 09 April 2018

Sydney



General Secretary – Stewart Calder-Little

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PUBLIC SERVICE ASSOCIATION OF NSW

Report on the Concise Financial Report

Opinion

The concise financial report, which comprises the statement of financial position as at 31 December 2017, and the comprehensive income statement, statement of changes in equity and statement of cash flows for the year ended on that date, and related notes, are derived from the audited financial statements of Public Service Association of NSW ('the Association') for the year ended 31 December 2017.

In our opinion, the accompanying concise financial report is consistent, in all material respects, with the audited financial report, in accordance with AASB 1039 *Concise Financial Reports*.

Concise Financial Report

The concise financial report does not contain all the disclosures required by Australian Accounting Standards applied in the preparation of the audited financial report of the Association. Reading the concise financial report and the auditor's report thereon, therefore, is not a substitute for reading the audited financial report and the auditor's report thereon.

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

The Audited Financial Report and Our Report Thereon

We expressed an unmodified audit opinion on the audited financial report in our report dated 9 April 2018.

Central Council's responsibility for the concise financial report

The Central Council of the Association are responsible for the preparation and fair presentation of the concise financial report in accordance with Australian Accounting Standard AASB 1039: Concise Financial Reports.

Auditor's responsibility

Our responsibility is to express an opinion on whether the concise financial report is consistent, in all material aspects, with the audited financial report based on our procedures, which were conducted in accordance with Auditing Standard ASA 810 Engagements to Report on Summary Financial Statements.

Rothsay Audit & Assurance Pty Ltd

Michael Payne

Director

Sydney, 9th of April 2018

A Level 1/12 O'Connell Street
Sydney NSW 2000

GPO Box 542
Sydney NSW 2001

P 02 8815 5400
F 02 8815 5401

E info@rothsay.com.au
W www.rothsay.com.au

ABN 14 129 769 151

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