

CIVIL SERVICE ASSOCIATION OF WESTERN AUSTRALIA (INCORPORATED)
AND ITS CONTROLLED ENTITIES
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2016

CIVIL SERVICE ASSOCIATION OF WESTERN AUSTRALIA (INCORPORATED)

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2016

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CIVIL SERVICE ASSOCIATION OF WESTERN AUSTRALIA (INCORPORATED)

STATEMENT BY MEMBERS OF THE EXECUTIVE COMMITTEE

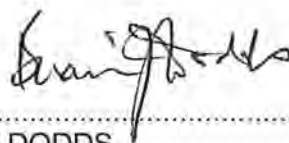
In the opinion of the Committee the financial report as set out on pages 4 to 24;

1. Presents fairly the financial position of the Civil Service Association of Western Australia (Incorporated) as at 30 June 2016 and its performance for the year ended on that date in accordance with Australian Equivalents to International Financial Reporting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board.
2. At the date of this statement, there are reasonable grounds to believe that the Civil Service Association of Western Australia (Incorporated) will be able to pay its debts as and when they become due and payable for the next 12 months from the date of signing the financial report.
3. The financial report for the year ended 30 June 2016 has been properly drawn up in accordance with the Western Australia Industrial Relations Act 1979 (as amended).

This statement is made in accordance with a resolution of the Committee and is signed for and on the behalf of the Committee by:



.....
T WALKINGTON
General Secretary



.....
B DODDS
President

Dated at Perth this 7 day of September 2016



Anderson Munro & Wyllie

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INDEPENDENT AUDIT REPORT TO THE MEMBERS OF THE CIVIL SERVICE ASSOCIATION OF WESTERN AUSTRALIA (INCORPORATED)

Report on the Financial Report

We have audited the accompanying financial report of Civil Service Association of Western Australia (Incorporated) and its Controlled Entities which comprises the statement of financial position as at 30 June 2016 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the statement by members of the committee.

Committee's Responsibility for the Financial Report

The committee of the Union is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and Fair Work Act 2009 (Commonwealth). This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 2(b), the Committee of Management also state, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, that compliance with Australian Accounting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

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. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

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



Opinion

In our opinion the financial report presents fairly, in all material respects, the financial position of the Civil Service Association of Western Australia (Incorporated) and Its Controlled Entities as at 30 June 2016, and its financial performance for the year then ended in accordance with accounting policies described in Notes to the accounts.

The Union has kept accounting records in a form that have enabled an informed opinion to be expressed.

All the information, records, documents and explanations that, under Section 65A of the Industrial Relations Act 1979, I required officers of the Union to furnish, were furnished.

No official of the Union has contravened or failed to comply with Section 74 of the Industrial Relations Act 1979.

Dated the 9th day of September 2016 in Perth, Western Australia

AMW (AUDIT) PTY LTD

Anderson Munro & Wyllie

ANDERSON MUNRO & WYLLIE
Chartered Accountants

Martin Shone

MARTIN SHONE
Principal

CIVIL SERVICE ASSOCIATION OF WESTERN AUSTRALIA (INCORPORATED)

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2016**

	NOTES	CONSOLIDATED ENTITY		ASSOCIATION	
		2016	2015	2016	2015
		\$	\$	\$	\$
Revenues from continuing operations	2	9,790,618	9,705,344	9,780,217	9,679,098
Employee benefits expense		(7,967,491)	(7,671,160)	(7,967,491)	(7,671,160)
Legal fees		(96,895)	(88,120)	(96,895)	(88,120)
Depreciation expense	3	(411,336)	(444,716)	(411,336)	(444,716)
Loss on Disposal of Fixed Assets		-	-	-	-
Other expenses from ordinary activities		(1,606,064)	(1,665,115)	(1,597,773)	(1,660,800)
		(291,168)	(163,767)	(293,278)	(185,698)
Operating result before income tax expense	4	(291,168)	(163,767)	(293,278)	(185,698)
Income tax expense	4	(601)	(6,580)	-	-
Operating result for the year		<u>(291,769)</u>	<u>(170,347)</u>	<u>(293,278)</u>	<u>(185,698)</u>
<u>Other Comprehensive Income</u>					
Other Comprehensive Income for the period net of tax		-	-	-	-
Total Comprehensive Income for the Period		<u>(291,769)</u>	<u>(170,347)</u>	<u>(293,278)</u>	<u>(185,698)</u>

The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

CIVIL SERVICE ASSOCIATION OF WESTERN AUSTRALIA (INCORPORATED)

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2016**

	NOTE	CONSOLIDATED ENTITY		ASSOCIATION	
		2016	2015	2016	2015
		\$	\$	\$	\$
CURRENT ASSETS					
Cash and cash equivalents	5	3,084,813	3,480,733	2,925,179	3,318,184
Trade and other receivables	6	289,682	258,967	267,152	242,336
TOTAL CURRENT ASSETS		<u>3,374,495</u>	<u>3,739,700</u>	<u>3,192,331</u>	<u>3,560,520</u>
NON-CURRENT ASSETS					
Receivables	6	-	-	-	-
Other financial assets	7	-	-	-	-
Property, plant and equipment	8	5,769,179	6,070,158	5,769,179	6,070,158
TOTAL NON-CURRENT ASSETS		<u>5,769,179</u>	<u>6,070,158</u>	<u>5,769,179</u>	<u>6,070,158</u>
TOTAL ASSETS		<u>9,143,674</u>	<u>9,809,858</u>	<u>8,961,510</u>	<u>9,630,678</u>
CURRENT LIABILITIES					
Trade and other payables	9	638,568	840,773	628,467	832,147
Provisions	10	1,212,888	1,371,199	1,212,888	1,371,199
Income Tax Provision	4	-	-	-	-
TOTAL CURRENT LIABILITIES		<u>1,851,456</u>	<u>2,211,972</u>	<u>1,841,355</u>	<u>2,203,346</u>
NON-CURRENT LIABILITIES					
Trade and other payables	9	-	-	220,000	220,000
Provisions	10	159,075	172,974	159,075	172,974
TOTAL NON-CURRENT LIABILITIES		<u>159,075</u>	<u>172,974</u>	<u>379,075</u>	<u>392,974</u>
TOTAL LIABILITIES		<u>2,010,531</u>	<u>2,384,946</u>	<u>2,220,430</u>	<u>2,596,320</u>
NET ASSETS		<u>7,133,143</u>	<u>7,424,912</u>	<u>6,741,080</u>	<u>7,034,358</u>
EQUITY					
Retained Profits	11	7,133,143	7,424,912	6,741,080	7,034,358
TOTAL EQUITY		<u>7,133,143</u>	<u>7,424,912</u>	<u>6,741,080</u>	<u>7,034,358</u>

The above statement of financial position should be read in conjunction with the accompanying notes.

CIVIL SERVICE ASSOCIATION OF WESTERN AUSTRALIA (INCORPORATED)

**STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2016**

	CONSOLIDATED ENTITY		ASSOCIATION	
	2016	2015	2016	2015
	\$	\$	\$	\$
Total equity at the beginning of the financial year	7,424,912	7,595,259	7,034,358	7,220,056
Operating result for the year	(291,769)	(170,347)	(293,278)	(185,698)
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	(291,769)	(170,347)	(293,278)	(185,698)
Total equity at the end of the financial year	7,133,143	7,424,912	6,741,080	7,034,358

CIVIL SERVICE ASSOCIATION OF WESTERN AUSTRALIA (INCORPORATED)

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2016**

	CONSOLIDATED ENTITY		ASSOCIATION	
	2016	2015	2016	2015
	\$	\$	\$	\$
Cash Flows from Operating Activities				
Receipts from customers and members	9,718,639	9,586,959	9,718,115	9,563,319
Payments to suppliers and employees	(10,061,064)	(9,304,092)	(10,064,912)	(9,307,481)
Interest received	64,303	89,924	64,148	88,945
Tax Paid	(7,442)	(19,251)	-	-
Net cash inflow from operating activities (Note 14 (b))	(285,564)	353,540	(282,649)	344,783
Cash Flows from Investing Activities				
Payments for property, plant & equipment	(110,356)	(237,883)	(110,356)	(237,883)
Proceeds from sale of property, plant & equipment	-	-	-	-
Dividend Income	-	-	-	-
Proceeds from sale of financial asset	-	-	-	-
Net cash (outflow) inflow from investing activities	(110,356)	(237,883)	(110,356)	(237,883)
Net increase in cash and cash equivalents held	(395,920)	115,657	(393,005)	106,899
Cash and cash equivalents at the beginning of the financial year	3,480,733	3,365,076	3,318,184	3,211,285
Cash and cash equivalents at end of year (Note 14 (a))	3,084,813	3,480,733	2,925,179	3,318,184

The above statement of cash flows should be read in conjunction with the accompanying notes.

CIVIL SERVICE ASSOCIATION OF WESTERN AUSTRALIA (INCORPORATED)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

NOTE 1 - STATEMENT OF ACCOUNTING POLICIES

a. Basis of preparation

This general purpose financial report has been prepared on a going concern basis in accordance with Australian equivalents to International Financial Reporting Standards (AIFRSs), other authoritative pronouncements of the Australian Accounting Standards Boards and Urgent Issues Group Interpretations. The going concern basis assumes continuity of normal business activities, realisation of assets and the settlement of liabilities in the ordinary course of business for the next 12 months from the date of signing the financial report.

The financial report covers the consolidated entity of Civil Service Association of Western Australia (Incorporated) and its controlled entities and Civil Service Association of Western Australia (Incorporated) as an individual parent.

Civil Service Association of Western Australia (Incorporated) is a Trade Union registered under the Western Australia Industrial Relations Act 1979.

Compliance with IFRSs

Australian Accounting Standards include AIFRSs. Compliance with AIFRSs ensures that the consolidated financial statements and notes of Civil Service Association of Western Australia (Incorporated) comply with International Financial Reporting Standards (IFRSs).

New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2016 reporting periods. These standards have been reviewed but are not considered to effect the financial statements of Civil Service Association of Western Australia.

Historical Cost Convention

These financial statements have been prepared on an accrual basis under the historical cost convention.

The following is a summary of the significant accounting policies adopted by the consolidated entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

b. Principles of Consolidation

The consolidated financial statements comprise the financial statements of the Association and all entities controlled by the Association. A list of these controlled entities appears in Note 7. All inter-entity balances and unrealised profits resulting from inter-entity transactions at reporting date have been eliminated.

c. Income Tax

The Association is exempt from the payment of income tax under the provisions of Section 50-15 of the Income Tax Assessment Act 1997.

In relation to the subsidiaries of Civil Service Association of Western Australia (Incorporated) that are taxable entities, the income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

NOTE 1 - STATEMENT OF ACCOUNTING POLICIES (*cont'd*)

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

d. Investments

Investments in controlled entities are stated in the Association's accounts at cost. The carrying amount of investments is reviewed annually to ensure it is not in excess of the recoverable amount of these investments.

e. Property, Plant and Equipment

Property, plant and equipment are stated at cost less depreciation. Items of property, plant and equipment are depreciated over their estimated useful lives commencing from the time the asset is held ready for use.

The gain or loss on disposal of property, plant and equipment is determined as the difference between the carrying amount of the asset at the time of disposal and the proceeds of disposal, and is included in the results of the year of the disposal.

Items of property, plant and equipment, including buildings but excluding freehold land, are depreciated on a diminishing value basis over their estimated useful lives.

The depreciation rates used for each class of asset are as follows:

- | | |
|------------------------------|---------------|
| • Buildings and improvements | 1.5% - 11.25% |
| • Plant and equipment | 2.0% - 40% |
| • Motor vehicles | 18.75% |

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 1(f)).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

NOTE 1 - STATEMENT OF ACCOUNTING POLICIES (*cont'd*)

f. Impairment of Assets

At each reporting date, the group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of profit or loss and other comprehensive income.

g. Employee Benefits

Short-term employee benefits

Provision is made for the Group's (including the parent's) obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Group's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position. The Group's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on corporate bonds that have maturity dates that approximate the terms of the obligations. Upon the re-measurement of obligations due to change in assumptions for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as a part of employee benefits expense in the periods in which the changes occur.

The Group's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Group does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

h. Segment Reporting

A geographical segment is engaged in providing products or services within a particular economic environment and is subject to risks and returns that are different from those of the segments operating in other economic environments. The consolidated entity operates in the one geographical segment being Australia and operates predominantly in the one industry segment being union services. A business segment is identified for a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different to those of other business segments. Revenue is derived from the following:

Membership subscriptions
Insurance agent services

Property rental
Financial services

CIVIL SERVICE ASSOCIATION OF WESTERN AUSTRALIA (INCORPORATED)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

NOTE 1 - STATEMENT OF ACCOUNTING POLICIES (*cont'd*)

i. Cash and cash equivalents

For cash flow statement purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, and bank overdrafts. Bank overdrafts, where applicable, are shown within borrowings in the current liabilities on the statement of financial position.

j. Trade and other Receivables

Receivables to be settled within 60 days are carried at amounts due. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for doubtful receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables.

k. Operating Leases

Payments made under operating lease are charged against the results in equal instalments over the accounting periods covered by the lease term.

l. Trade and other payables

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether or not billed to the Association or consolidated entity. Accounts payable are normally settled within 60 days.

m. Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Membership income is recognised on an accrual basis. The rendering of services is recognised upon the delivery of the service to the customer. Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

n. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from, or payable to, the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

o. Comparative Figures

Where required by Australian Equivalents to International Financial Reporting Standards, comparative figures have been adjusted to conform with changes in presentation for the current year.

p. Lease Income

Lease income from operating leases is recognised in income on a straight-line basis over the lease term.

CIVIL SERVICE ASSOCIATION OF WESTERN AUSTRALIA (INCORPORATED)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

	CONSOLIDATED ENTITY		ASSOCIATION	
	2016	2015	2016	2015
	\$	\$	\$	\$
NOTE 2 - REVENUE				
Revenue from continuing operations				
- Subscription income	8,407,715	8,233,998	8,407,715	8,233,998
- Commission	171,509	189,418	138,264	113,566
- Lease income	1,122,002	1,161,868	1,122,002	1,161,868
- Other	25,089	30,136	48,088	80,721
	<u>9,726,315</u>	<u>9,615,420</u>	<u>9,716,069</u>	<u>9,590,153</u>
Other Revenue				
- Interest	64,303	89,924	64,148	88,945
	<u>64,303</u>	<u>89,924</u>	<u>64,148</u>	<u>88,945</u>
Total Revenue	<u><u>9,790,618</u></u>	<u><u>9,705,344</u></u>	<u><u>9,780,217</u></u>	<u><u>9,679,098</u></u>
NOTE 3 - EXPENSES				
Profit/ (Loss) before income tax includes the following specific expenses:				
Employee Expenses				
Holders of Office				
- Wages & Salaries	378,899	360,007	378,899	360,007
- Superannuation	45,323	42,798	45,323	42,798
- Leave & Other Entitlements	2,501	17,285	2,501	17,285
	<u>426,723</u>	<u>420,090</u>	<u>426,723</u>	<u>420,090</u>
Employees other than Office Holders				
- Wages & Salaries	6,146,512	5,876,073	6,146,512	5,876,073
- Superannuation	718,137	691,626	718,137	691,626
- Leave & Other Entitlements	(174,712)	136,709	(174,712)	136,709
- Separation & Redundancies	249,334	58,214	249,334	58,214
	<u>6,939,271</u>	<u>6,762,622</u>	<u>6,939,271</u>	<u>6,762,622</u>
Total Employee Expenses	<u><u>7,365,994</u></u>	<u><u>7,182,712</u></u>	<u><u>7,365,994</u></u>	<u><u>7,182,712</u></u>

CIVIL SERVICE ASSOCIATION OF WESTERN AUSTRALIA (INCORPORATED)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

	CONSOLIDATED		ASSOCIATION	
	ENTITY			
	2016	2015	2016	2015
	\$	\$	\$	\$
NOTE 3 – EXPENSES (con't)				
Depreciation of property, plant and equipment	411,336	444,716	411,336	444,716
Affiliation Fees – Unions WA	115,023	117,265	115,023	117,265
Auditors' remuneration - audit	16,283	17,500	16,283	17,500
Legal Costs	96,895	88,120	96,895	88,120
Net loss on sale of fixed assets	-	-	-	-
Donations	3,000	1,800	3,000	1,800

NOTE 4 – INCOME TAX EXPENSE

(Loss) before income tax expense	(291,168)	(163,767)	(293,278)	(185,698)
(a) tax at 30% (2014: 30%)	82,983	(49,129)	(83,584)	(55,709)
Less: Tax exempt income	83,584	55,709	83,584	55,709
Less: Utilisation of tax losses not previously recognised.	-	-	-	-
Income tax expense	601	(6,580)	-	-
(b) Deferred tax asset not brought to account, the benefits of which will only be realised if the conditions for deductibility set out in Note 1(c) occur				
- tax losses	-	-	-	-
- timing differences	-	-	-	-
	-	-	-	-

CIVIL SERVICE ASSOCIATION OF WESTERN AUSTRALIA (INCORPORATED)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

**NOTE 5 – CASH AND CASH
EQUIVALENTS**

Cash at bank	3,082,513	3,478,433	2,922,879	3,315,884
Cash on hand	2,300	2,300	2,300	2,300
	<u>3,084,813</u>	<u>3,480,733</u>	<u>2,925,179</u>	<u>3,318,184</u>

**NOTE 6 – TRADE AND OTHER
RECEIVABLES**

Current

Commissions receivable	-	-	-	-
Service charges receivable	-	-	-	-
Other debtors	213,686	206,010	191,156	189,379
Prepayments	<u>75,996</u>	<u>52,957</u>	<u>75,996</u>	<u>52,957</u>
	<u>289,682</u>	<u>258,967</u>	<u>267,152</u>	<u>242,336</u>

There are Related Party Debtors of \$7,138 for CPSU, the Community and Public Sector Union (PSU Group) within Other debtors.

No debtors have been identified that will be receivable in more than six months.

CIVIL SERVICE ASSOCIATION OF WESTERN AUSTRALIA (INCORPORATED)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

	CONSOLIDATED ENTITY		ASSOCIATION	
	2016	2015	2016	2015
	\$	\$	\$	\$
NOTE 6 – TRADE AND OTHER RECEIVABLES (con't)				
<i>Non-Current</i>				
Loan to Intra Group Entity				
- Civil Service Holdings Pty Ltd	-	-	132,020	132,020
Less: Allowance for doubtful debts	-	-	(132,020)	(132,020)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The loan to Civil Service Holdings Pty Ltd has been fully provided for, as the association do not consider the balance recoverable.

NOTE 7 – OTHER FINANCIAL ASSETS

Shares in controlled entity (at cost)	-	-	170,100	170,100
Less: Provision for Diminution of Investment	-	-	(170,100)	(170,100)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The association has fully provided for their investment in Civil Service Holdings Pty Ltd, as the association do not consider the balance recoverable.

The parent entity of the consolidated entity is the Civil Service Association of Western Australia (Incorporated). The Association controls the following entities:

ENTITY	COUNTRY OF INCORPORATION	OWNED %		2016 \$	2015 \$
		2016	2015		
Civil Service Holdings Pty Ltd	Australia	100	100	170,100	170,100
Civil Service Insurance Agency Pty Ltd	Australia	100	100	-	-
CSA Services (WA) Pty Ltd	Australia	100	100	-	-

The result of the consolidated entity, after provision for income tax was contributed by the following entities:

	2016 \$	2015 \$
Civil Service Association of WA (Inc)	(293,278)	(185,698)
Civil Service Holdings Pty Ltd	(8,720)	(13,374)
Civil Service Insurance Agency Pty Ltd	(1,486)	9,634
CSA Services (WA) Pty Ltd	11,715	19,091
Jetwest Travel Pty Ltd	-	-
Surplus/ (Deficit) for the year	<u>(291,769)</u>	<u>(170,347)</u>

CIVIL SERVICE ASSOCIATION OF WESTERN AUSTRALIA (INCORPORATED)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

	CONSOLIDATED ENTITY		ASSOCIATION	
	2016	2015	2016	2015
	\$	\$	\$	\$
NOTE 8 – PROPERTY, PLANT AND EQUIPMENT				
Land - at cost	367,147	365,147	367,147	365,147
Buildings - at cost	9,366,523	9,258,432	9,366,523	9,258,432
Less: Accumulated depreciation	(4,319,773)	(3,995,347)	(4,319,773)	(3,995,347)
	5,046,751	5,263,085	5,046,751	5,263,085
Furniture, fittings and equipment - at cost	2,425,148	2,422,883	2,425,148	2,422,883
Less: Accumulated depreciation	(2,181,072)	(2,120,298)	(2,181,072)	(2,120,298)
	244,076	302,585	244,076	302,585
Motor vehicles - at cost	254,245	254,245	254,245	254,245
Less: Accumulated depreciation	(141,040)	(114,904)	(141,040)	(114,904)
	113,205	139,341	113,205	139,341
	<u>5,769,179</u>	<u>6,070,158</u>	<u>5,769,179</u>	<u>6,070,158</u>

Council of Management have authorised that the next valuation be done subsequent to completion of capital works in relation to the wet areas and ground floor lobby. The market value as at the last valuation date is detailed below:

CSA Centre 445 Hay Street, Perth

Valued by

Valued by Graham Kennedy, FAPI – Jones Lang LaSalle – 6 September 2007

27,000,000

CIVIL SERVICE ASSOCIATION OF WESTERN AUSTRALIA (INCORPORATED)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

NOTE 8 - PROPERTY, PLANT AND EQUIPMENT (cont'd)

Movements in Carrying Amounts 2016

Movement in the carrying amounts for each class of property, plant and equipment between beginning and the end of the financial year ended 30 June 2016.

Consolidated Entity	<i>Land</i>	<i>Building</i>	<i>Plant & Equip</i>	<i>Motor Vehicles</i>	<i>Total</i>
Balance at the beginning of the year	365,147	5,263,085	302,585	139,341	6,070,158
Additions	-	108,091	2,265	-	110,356
Disposals	-	-	-	-	-
Depreciation expense	-	(324,426)	(60,774)	(26,136)	(411,336)
Carrying amount at the end of the year	365,147	5,046,751	244,076	113,205	5,769,179
Association	<i>Land</i>	<i>Building</i>	<i>Plant & Equip</i>	<i>Motor Vehicles</i>	<i>Total</i>
Balance at the beginning of the year	365,147	5,263,085	302,585	139,341	6,070,158
Additions	-	108,091	2,265	-	110,356
Disposals	-	-	-	-	-
Depreciation expense	-	(324,426)	(60,774)	(26,136)	(411,336)
Carrying amount at the end of the year	365,147	5,046,751	244,076	113,205	5,769,179

Movements in Carrying Amounts 2015

Movement in the carrying amounts for each class of property, plant and equipment between beginning and the end of the financial year ended 30 June 2015

Consolidated Entity	<i>Land</i>	<i>Building</i>	<i>Plant & Equip</i>	<i>Motor Vehicles</i>	<i>Total</i>
Balance at the beginning of the year	365,147	5,379,744	360,599	171,501	6,276,991
Additions	-	222,664	15,219	-	237,883
Disposals	-	-	-	-	-
Depreciation expense	-	(339,323)	(73,233)	(32,160)	(444,716)
Carrying amount at the end of the year	365,147	5,263,085	302,585	139,341	6,070,158
Association	<i>Land</i>	<i>Building</i>	<i>Plant & Equip</i>	<i>Motor Vehicles</i>	<i>Total</i>
Balance at the beginning of the year	365,147	5,379,744	360,599	171,501	6,276,991
Additions	-	222,664	15,219	-	237,883
Disposals	-	-	-	-	-
Depreciation expense	-	(339,323)	(73,233)	(32,160)	(444,716)
Carrying amount at the end of the year	365,147	5,263,085	302,585	139,341	6,070,158

CIVIL SERVICE ASSOCIATION OF WESTERN AUSTRALIA (INCORPORATED)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

NOTE 9 – TRADE AND OTHER PAYABLES

	CONSOLIDATED ENTITY		ASSOCIATION	
	2016	2015	2016	2015
	\$	\$	\$	\$
Current				
Sundry creditors and accruals	638,568	840,773	628,467	832,147
	<u>638,568</u>	<u>840,773</u>	<u>628,467</u>	<u>832,147</u>
Non Current				
Creditor – Other Group Company	-	-	220,000	220,000
	<u>-</u>	<u>-</u>	<u>220,000</u>	<u>220,000</u>

NOTE 10 - PROVISIONS

Employee Provisions – Current

Office Holders				
- Provision for annual leave	75,995	60,616	75,995	60,616
- Provision for long service leave	<u>165,005</u>	<u>177,883</u>	<u>165,005</u>	<u>177,883</u>
	241,000	238,499	241,000	238,499
Employees other than Office Holders				
- Provision for annual leave	382,900	486,632	382,900	486,632
- Provision for long service leave	<u>588,988</u>	<u>646,068</u>	<u>588,988</u>	<u>646,068</u>
	971,888	1,132,700	971,888	1,132,700
Total Employee Provisions – Current	<u>1,212,888</u>	<u>1,371,199</u>	<u>1,212,888</u>	<u>1,371,199</u>

Employee Provisions - Non-Current

Provision for long service leave –				
- Office Holders	-	-	-	-
- Employees other than Office Holders	<u>159,075</u>	<u>172,974</u>	<u>159,075</u>	<u>172,974</u>
Total Employee Provisions – Non Current	<u>159,075</u>	<u>172,974</u>	<u>159,075</u>	<u>172,974</u>
Number of employees at year end	<u>65</u>	<u>71</u>	<u>65</u>	<u>71</u>

NOTE 11 – Retained Earnings

CIVIL SERVICE ASSOCIATION OF WESTERN AUSTRALIA (INCORPORATED)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

	CONSOLIDATED ENTITY		ASSOCIATION	
	2016	2015	2016	2015
	\$	\$	\$	\$
Retained Earnings	7,133,143	7,424,912	6,741,080	7,034,358

NOTE 12 - RELATED PARTY TRANSACTIONS

(a) Executive Committee

The names of the persons who held office as members of the Executive Committee at any time during the reporting year were:

Mr G Lee	Ms T Walkington	Ms R Hendon
Mr G Richards	Ms L McKay	Mr G Sutherland
Mr B Hawkins	Ms D Henden	Mr T Watson
Mr B Dodds	Mr K Mayerhofer	Mr M Abrahamson
Mr L Stevens	Ms M Sheehy	
Ms A Harley		

	CONSOLIDATED ENTITY		ASSOCIATION	
	2016	2015	2016	2015
	\$	\$	\$	\$
(b) Remuneration of Executive Committee Members				
The aggregate amount of remuneration received or receivable by members of the committee (including salaries) as listed in Note 12 (a) in respect of the management of the Association.	426,723	420,090	423,723	420,090

This remuneration is detailed in note 3.

(c) Other Related Party Transactions

During the year, the ultimate parent entity, Civil Service Association of WA (Inc), charged management, referral fees and rent to controlled entities to the value of \$23,000 (2015: \$50,585). These fees were based on commercial terms and conditions.

CIVIL SERVICE ASSOCIATION OF WESTERN AUSTRALIA (INCORPORATED)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

NOTE 13 – COMMITMENTS

The consolidated entity has entered into non-cancellable operating leases with lease terms in excess of one year in respect of motor vehicles and office equipment.

At reporting date the aggregate lease commitment was as follows:

Operating Lease Commitments

	CONSOLIDATED ENTITY		ASSOCIATION	
	2016	2015	2016	2015
	\$	\$	\$	\$
(i) due within one year	29,436	32,327	29,436	32,327
(ii) due later than one year and less than two years	29,436	32,327	29,436	32,327
(iii) due later than two years and less than five years	60,453	67,209	60,453	67,209
	<u>119,325</u>	<u>131,863</u>	<u>119,325</u>	<u>131,863</u>

Commitment for Refurbishment of Ground Floor

	CONSOLIDATED ENTITY		ASSOCIATION	
	2016	2015	2016	2015
	\$	\$	\$	\$
(i) due within one year	39,700	106,350	39,700	106,350
(ii) due later than one year and less than two years	-	-	-	-
(iii) due later than two years and less than five years	-	-	-	-
	<u>39,700</u>	<u>106,350</u>	<u>39,700</u>	<u>106,350</u>

**NOTE 14 – RECONCILIATION OF NET CASH PROVIDED BY OPERATING
ACTIVITIES TO OPERATING SURPLUS/ (DEFICIT) AFTER INCOME TAX**

(a) Reconciliation of Cash

Cash and cash equivalents at the end of the financial year as shown in the Cash Flow Statement is reconciled to the related items in the statement of financial position as follows:

	CONSOLIDATED ENTITY		ASSOCIATION	
	2016	2015	2016	2015
	\$	\$	\$	\$
Cash and cash equivalents	1,458,670	1,228,643	1,299,036	1,066,094
Term Deposits	1,626,143	2,252,090	1,626,143	2,252,090
	<u>3,084,813</u>	<u>3,480,733</u>	<u>2,925,179</u>	<u>3,318,184</u>

CIVIL SERVICE ASSOCIATION OF WESTERN AUSTRALIA (INCORPORATED)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

**NOTE 14 - RECONCILIATION OF NET CASH PROVIDED BY OPERATING
ACTIVITIES TO OPERATING SURPLUS/ (DEFICIT) AFTER INCOME TAX (cont)**

(b) Reconciliation of profit after income tax to net cash inflow from operating activities

	CONSOLIDATED ENTITY		ASSOCIATION	
	20156	2015	2016	2015
	\$	\$	\$	\$
Profit/ (Loss) for the year	(291,769)	(170,347)	(293,278)	(185,698)
Non-cash flows in surplus from ordinary activities				
Depreciation of property, plant and equipment	411,336	444,716	411,336	444,716
Loss/(profit) on disposal of property, plant and equipment	-	-	-	-
Profit on sale of financial asset	-	-	-	-
Dividend Income	-	-	-	-
Provision for diminution of Loan	-	-	-	-
Provision of diminution of Investment in Subsidiary	-	-	-	-
Change in assets and liabilities				
(Increase) decrease in sundry debtors	(7,675)	(28,461)	(1,776)	(30,752)
(Increase) decrease in loan receivables	-	-	-	-
(Increase) decrease in prepayments	(23,039)	34,816	(23,039)	34,816
Increase (decrease) in sundry creditors	(206,027)	(85,096)	(207,502)	(76,211)
Provisions for employee leave benefits	(172,210)	153,994	(172,210)	153,994
Increase (decrease) in bonds & deposits	3,820	3,918	3,820	3,918
Increase (decrease) in income tax provision	-	-	-	-
Increase (decrease) in loan payables	-	-	-	-
Net cash (outflow) inflow from operating activities	(285,564)	353,540	(282,649)	344,783

CIVIL SERVICE ASSOCIATION OF WESTERN AUSTRALIA (INCORPORATED)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

NOTE 15 - FINANCIAL INSTRUMENTS

(i) Interest Rate Risk

The group is exposed to movements in market interest rates on short-term deposits. The policy is to monitor the interest rate yield curve out to 120 days to ensure a balance is maintained between the liquidity of cash assets and the interest rate return:

Consolidated Entity

30/06/16	Weighted Average Effective Interest Rate	Floating Interest Rate \$	Fixed Asset Rate Maturing			
			Within 6 months \$	6 months to 1 year \$	1 to 5 Years \$	Over 5 Years \$
Financial Assets						
Cash	0%	26,558	-	-	-	-
Cash	0.1%	910,107	-	-	-	-
Cash	1.75%	522,005				
Term Deposit	2.45%	-	-	49,258	-	-
Term Deposit	2.9% to 3.05%	-	1,458,107	118,778	-	-
		1,458,670	1,458,107	168,036	-	-

30/06/15	Weighted Average Effective Interest Rate	Floating Interest Rate \$	Fixed Asset Rate Maturing			
			Within 6 Months \$	6 months to 1 year \$	1 to 5 Years \$	Over 5 Years \$
Financial Assets						
Cash	0%	2,300	-	-	-	-
Cash	0.05% to 0.4%	626,712	-	-	-	-
Cash	1.35% to 2.7%	667,636	-	-	-	-
Term Deposit	3.55%	-	657,615	-	-	-
Term Deposit	3.45%	-	-	114,817	-	-
Term Deposit	2.85%	-	-	1,411,653	-	-
		1,296,648	657,615	1,526,470	-	-

CIVIL SERVICE ASSOCIATION OF WESTERN AUSTRALIA (INCORPORATED)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

Association

30/06/16	Weighted Average Effective Interest	Floating Interest Rate	Fixed Asset Rate Maturing			
	Rate	\$	Within 6 months \$	6 months to 1 year \$	1 to 5 Years \$	Over 5 Years \$
Financial Assets						
Cash	0%	26,558	-	-	-	-
Cash	0.1%	750,473	-	-	-	-
Cash	1.75%	522,005	-	-	-	-
Term Deposit	2.45%	-	-	49,258	-	-
Term Deposit	2.9% to 3.05%	-	1,458,107	118,778	-	-
		<u>1,299,036</u>	<u>1,458,107</u>	<u>168,036</u>	<u>-</u>	<u>-</u>

30/06/15	Weighted Average Effective Interest	Floating Interest Rate	Fixed Asset Rate Maturing			
	Rate	\$	Within 6 Months \$	6 months to 1 year \$	1 to 5 Years \$	Over 5 Years \$
Financial Assets						
Cash	0%	2,300	-	-	-	-
Cash	0.05% to 0.40%	464,163	-	-	-	-
Cash	1.35% to 2.7 %	667,636	-	-	-	-
Term Deposit	3.55%	-	657,615	-	-	-
Term Deposit	3.45%	-	-	114,817	-	-
Term Deposit	2.85%	-	-	1,411,653	-	-
		<u>1,134,099</u>	<u>657,615</u>	<u>1,526,470</u>	<u>-</u>	<u>-</u>

(ii) Credit Risk

The group's maximum exposure to credit risk, excluding the value of collateral or other security, in relation to each class of 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.

The group does not have any material credit risk exposure to any single debtor group or group of debtors under financial instruments entered into by the Association.

The effect of a 1% movement in interest rates on \$3,084,813 would be an extra \$30,848 income if interest rates rise or cost if interest rates fall.

(ii) Market Risk

All Trade and Other Payables are due within 3 months.

CIVIL SERVICE ASSOCIATION OF WESTERN AUSTRALIA (INCORPORATED)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

NOTE 16 – ASSOCIATION DETAILS

The principal place of business of the Association and its controlled entities is:
Level 5, 445 Hay Street, Perth Western Australia 6000.

NOTE 17 – EVENTS OCCURING AFTER REPORTING DATE

There are no significant events after reporting date.



Anderson Munro & Wyllie

CHARTERED ACCOUNTANTS

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JOONDALUP WA 6027

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AUDITOR'S DISCLAIMER

TO THE BOARD OF

CIVIL SERVICE ASSOCIATION OF WESTERN AUSTRALIA (INCORPORATED)

The additional financial data presented in the following pages have been extracted from the books and records of Civil Service Association of Western Australia (Incorporated). Some of these accounts have not been subjected to the auditing procedures applied in our statutory audit for the year ended 30 June 2016. Readers should note that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion in 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 Civil Service Association of Western Australia (Incorporated)) in respect of such data, including any errors or omission therein however caused.

Dated this 9th day of September 2016

AMW (AUDIT) PTY LTD

Anderson Munro & Wyllie

ANDERSON MUNRO & WYLLIE
Chartered Accountants

Martin Shone

MARTIN SHONE
Principal

**CIVIL SERVICE ASSOCIATION
OF WESTERN AUSTRALIA (INCORPORATED)**

**DETAILED OPERATING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2016**

	PARENT	
	2016	2015
	\$	\$
<u>INCOME</u>		
Members' subscriptions	8,407,715	8,233,998
Interest on investments	64,148	88,945
Journal advertising	-	2,819
Miscellaneous income	25,088	27,317
Management Fees	23,000	50,585
Lease income	1,122,002	1,161,868
Commission Income	138,264	113,566
Write-back of provision for doubtful debts	-	-
TOTAL INCOME	9,780,217	9,679,098
<u>EXPENDITURE</u>		
Advertising	2,746	2,468
Affiliation fees	115,023	117,265
Audit & accounting	13,283	19,500
Bank Charges	78,341	73,797
Cleaning & Domestic	77,382	78,287
Computer expenses	85,305	73,357
Council expenses	48,572	45,013
Courier Services	1,076	948
Depreciation	411,336	444,716
Donations	2,700	1,800
Fuel, light & power	146,639	145,499
General expenses	23,428	19,867
Insurance	61,188	59,639
Journal Publication costs	14,434	41,327
Journey Cover	250,429	258,075
Legal Fees	96,895	88,120
Library	-	-
Maintenance	165,930	105,137
Management Services	17,590	17,630
Media monitoring	2,608	2,035
Membership Fees & Levies - Shoprite	12,776	13,684
Motor vehicle costs	64,803	61,531
Photocopy cost	50,117	48,152
Postage	14,505	15,115
Printing	-	-
Promotions	270	26,631
Rates & taxes	87,041	78,312
Regional visits	19,302	25,384
Rent	1,620	1,485
Security	3,876	2,700

**CIVIL SERVICE ASSOCIATION
OF WESTERN AUSTRALIA (INCORPORATED)**

**DETAILED OPERATING STATEMENT (Cont'd)
FOR THE YEAR ENDED 30 JUNE 2016**

	PARENT	
	2016	2015
	\$	\$
Special Projects	31,480	76,528
Staff amenities	9,229	10,404
Staff expenses	7,967,808	7,674,423
Staff training	34,204	56,146
Staff uniforms	(1,090)	4,900
Stationery	34,658	31,453
Storage facility	11,276	10,726
Telephone	91,093	90,102
Travelling expenses	1,580	2,248
Web Development Costs	2,465	15,343
Workplace representatives training	21,575	25,049
TOTAL EXPENDITURE	10,073,495	9,864,796
OPERATING SURPLUS/ (DEFICIT)	(293,278)	(185,698)