

**CIVIL SERVICE ASSOCIATION OF
WESTERN AUSTRALIA (INCORPORATED)
AND ITS CONTROLLED ENTITIES**

**SPECIAL PURPOSE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2019**

**CIVIL SERVICE ASSOCIATION
OF WESTERN AUSTRALIA (INCORPORATED) AND ITS CONTROLLED ENTITIES
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2019**

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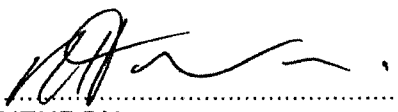
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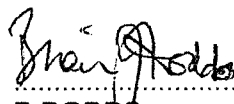
STATEMENT BY MEMBERS OF THE EXECUTIVE COMMITTEE

In the opinion of the Committee the financial report as set out on pages 6 to 29;

1. Presents fairly the financial position of the Civil Service Association of Western Australia (Incorporated) as at 30 June 2019 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 2019 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:


.....
R HENDON
General Secretary


.....
B DODDS
President

Dated at Perth this 5 day of September 2019



Anderson Munro & Wyllie

CHARTERED ACCOUNTANTS, REGISTERED COMPANY
AUDITORS AND REGISTERED SMSF AUDITORS

Postal Address:

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Liability limited by a scheme approved under Professional Standards Legislation

**AUDITORS' INDEPENDENCE DECLARATION
TO THE MEMBERS OF
CIVIL SERVICE ASSOCIATION
OF WESTERN AUSTRALIA (INCORPORATED) AND ITS CONTROLLED ENTITIES**

As auditor for the audit of Civil Service Association of Western Australia (Incorporated) and its controlled entities for the year ended 30 June 2019, I declare that, to the best of my knowledge and belief, during the year ended 30 June 2019 there has been:

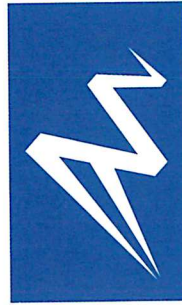
- i. No contraventions of any applicable code of professional conduct in relation to the audit.

Anderson Munro & Wyllie

ANDERSON MUNRO & WYLLIE
Chartered Accountants

Martin Shone
Principal

Dated at Perth, Western Australia this 12th day of September 2019



Anderson Munro & Wyllie

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CIVIL SERVICE ASSOCIATION OF WESTERN AUSTRALIA (INCORPORATED) AND ITS CONTROLLED ENTITIES

Report on the Financial Report

Opinion

We have audited the accompanying financial report of the Civil Service Association of Western Australia (Incorporated) ("the Association") and its controlled entities which comprises the statement of financial position as at 30 June 2019, 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.

Auditors' Opinion

In my opinion:

- (1) The special purpose financial report of the Civil Service Association of Western Australia (Incorporated) is in accordance with:
 - a. the *Industrial Relations Act 1979 (WA)* ("IR Act") and *Industrial Relations Commission Regulations 2005 (WA)* ("IRC Regulations"), including:
 - (i) giving a true and fair view of the Association's financial position as at 30 June 2019 and of its performance for the year ended on that date;
 - (ii) complying with applicable Australian Accounting Standards (including Australian Accounting Interpretations);
 - (iii) No person has contravened or failed to comply with s. 74 of the IR Act; and
 - b. the financial statements also complies with International Financial Reporting Standards as disclosed in Note 1.
- (2) The Association has kept satisfactory accounting records for the financial year including records of:
 - a. the sources and nature of the Association's income, including membership subscriptions and other income from members; and
 - b. the nature of and reasons for the Association's expenditure.
- (3) All the information and explanations that officers or employees of the Association were required to provide have been provided;
- (4) There was no deficiency, failure or shortcoming in any matter referred to in (1) to (3) above; and
- (5) Management's use of the going concern basis of accounting in the preparation of the Association's financial statements is appropriate.

Basis for opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the Association in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.



- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Association to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the Association audit. I remain solely responsible for my audit opinion.

I communicate with the Committee of Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I declare that I am an approved auditor, a member of Chartered Accountants Australia and New Zealand and hold a current Public Practice Certificate.

Anderson Munro & Wyllie

ANDERSON MUNRO & WYLLIE

Chartered Accountants

Address: Unit 8, 210 Winton Road, Joondalup, Western Australia

MARTIN SHONE

Principal & Registered Company Auditor

Dated at Perth, Western Australia this 12th day of September 2019

**CIVIL SERVICE ASSOCIATION
OF WESTERN AUSTRALIA (INCORPORATED) AND ITS CONTROLLED ENTITIES**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2019**

	NOTES	CONSOLIDATED ENTITY 2019 \$	2018 \$	ASSOCIATION 2019 \$	2018 \$
Revenues from continuing operations	2	8,753,175	9,039,438	8,750,677	9,035,733
Employee benefits expense		(7,373,672)	(6,769,740)	(7,373,672)	(6,769,740)
Legal fees		(83,050)	(87,200)	(83,050)	(87,200)
Depreciation expense	3	(399,218)	(373,640)	(399,218)	(379,640)
Loss on Disposal of Fixed Assets		(361)	(4,431)	(361)	(4,431)
Other expenses from ordinary activities		(1,570,938)	(1,652,546)	(1,570,906)	(1,651,835)
Operating result before income tax expense	4	(674,064)	151,881	(676,530)	148,887
Income tax expense	4	(678)	(1,019)	-	-
Operating result for the year		<u>(674,742)</u>	<u>150,862</u>	<u>(676,530)</u>	<u>148,887</u>
<u>Other Comprehensive Income</u>					
Other Comprehensive Income for the period net of tax		-	-	-	-
Total Comprehensive Income for the Period		<u>(674,742)</u>	<u>150,862</u>	<u>(676,530)</u>	<u>148,887</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) AND ITS CONTROLLED ENTITIES**

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019**

	NOTE	CONSOLIDATED ENTITY 2019 \$	2018 \$	ASSOCIATION 2019 \$	2018 \$
CURRENT ASSETS					
Cash and cash equivalents	5	2,379,960	2,875,000	2,194,299	2,709,649
Trade and other receivables	6	415,577	388,347	401,966	368,740
TOTAL CURRENT ASSETS		<u>2,795,537</u>	<u>3,263,347</u>	<u>2,596,265</u>	<u>3,078,389</u>
NON-CURRENT ASSETS					
Receivables	6	-	-	-	-
Other financial assets	7	-	-	-	-
Property, plant and equipment	8	5,854,836	5,967,528	5,854,836	5,967,528
TOTAL NON-CURRENT ASSETS		<u>5,854,836</u>	<u>5,967,528</u>	<u>5,854,836</u>	<u>5,967,528</u>
TOTAL ASSETS		<u>8,650,373</u>	<u>9,230,875</u>	<u>8,451,101</u>	<u>9,045,917</u>
CURRENT LIABILITIES					
Trade and other payables	9	846,321	696,638	824,662	687,505
Provisions	10	1,201,890	1,315,155	1,201,890	1,315,155
Income tax provision	4	-	-	-	-
TOTAL CURRENT LIABILITIES		<u>2,048,211</u>	<u>2,011,793</u>	<u>2,026,552</u>	<u>2,002,660</u>
NON-CURRENT LIABILITIES					
Trade and other payables	9	-	-	220,000	220,000
Provisions	10	120,142	62,320	120,142	62,320
TOTAL NON-CURRENT LIABILITIES		<u>120,142</u>	<u>62,320</u>	<u>340,142</u>	<u>282,320</u>
TOTAL LIABILITIES		<u>2,168,353</u>	<u>2,074,113</u>	<u>2,366,694</u>	<u>2,284,980</u>
NET ASSETS		<u>6,482,020</u>	<u>7,156,762</u>	<u>6,084,407</u>	<u>6,760,937</u>
EQUITY					
Retained earnings	11	6,482,020	7,156,762	6,084,407	6,760,937
TOTAL EQUITY		<u>6,482,020</u>	<u>7,156,762</u>	<u>6,084,407</u>	<u>6,760,937</u>

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

**CIVIL SERVICE ASSOCIATION
OF WESTERN AUSTRALIA (INCORPORATED)
AND ITS CONTROLLED ENTITIES**

**STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2019**

	CONSOLIDATED ENTITY		ASSOCIATION	
	2019	2018	2019	2018
	\$	\$	\$	\$
Total equity at the beginning of the financial year	7,156,762	7,005,900	6,760,937	6,612,050
Operating result for the year	(674,742)	150,862	(676,530)	148,887
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	(674,742)	150,862	(676,530)	148,887
Total equity at the end of the financial year	6,482,020	7,156,762	6,084,407	6,760,937

The above statement of changes in equity should be read in conjunction with the accompanying notes.

**CIVIL SERVICE ASSOCIATION
OF WESTERN AUSTRALIA (INCORPORATED)
AND ITS CONTROLLED ENTITIES**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2019**

	CONSOLIDATED ENTITY		ASSOCIATION	
	2019	2018	2019	2018
	\$	\$	\$	\$
Cash Flows from Operating Activities				
Receipts from customers and members	8,690,410	8,997,084	8,682,006	8,993,454
Payments to suppliers and employees	(8,933,079)	(8,623,507)	(8,945,913)	(8,623,118)
Interest received	35,535	42,354	35,444	42,280
Tax Paid	(1,019)	-	-	-
Net cash inflow from operating activities (Note 14 (b))	(208,153)	415,931	(228,463)	412,616
Cash Flows from Investing Activities				
Payments for property, plant & equipment	(314,614)	(601,593)	(314,614)	(601,593)
Proceeds from sale of property, plant & equipment	27,727	29,545	27,727	29,545
Net cash (outflow) from investing activities	(286,887)	(572,048)	(286,887)	(572,048)
Net (decreases) in cash and cash equivalents held	(495,040)	(156,117)	(515,350)	(159,432)
Cash and cash equivalents at the beginning of the financial year	2,875,000	3,031,117	2,709,649	2,869,081
Cash and cash equivalents at end of year (Note 14 (a))	2,379,960	2,875,000	2,194,299	2,709,649

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

**CIVIL SERVICE ASSOCIATION OF WESTERN AUSTRALIA (INCORPORATED)
AND ITS CONTROLLED ENTITIES**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

NOTE 1 - STATEMENT OF ACCOUNTING POLICIES

a. Basis of preparation

This special 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 2019 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.

**CIVIL SERVICE ASSOCIATION OF WESTERN AUSTRALIA (INCORPORATED)
AND ITS CONTROLLED ENTITIES**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

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)).

**CIVIL SERVICE ASSOCIATION OF WESTERN AUSTRALIA (INCORPORATED)
AND ITS CONTROLLED ENTITIES**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

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

Provision is made for the Association's liability for employee entitlements arising from services rendered by employees up to balance date. These entitlements include wages and salaries, annual leave, and long service leave. Employee entitlements have been measured at the current values of leave owing to the respective employee, plus related on-costs. The calculation has been made for all employees from the date of commencement and the liability is classified as current for all employees who have completed five years of continuous service at the reporting date.

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	Property rental
Insurance agent services	Financial services

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.

**CIVIL SERVICE ASSOCIATION OF WESTERN AUSTRALIA (INCORPORATED)
AND ITS CONTROLLED ENTITIES**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

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

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)
AND ITS CONTROLLED ENTITIES**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

	CONSOLIDATED ENTITY		ASSOCIATION	
	2019	2018	2019	2018
	\$	\$	\$	\$
NOTE 2 - REVENUE				
Revenue from continuing operations				
- Subscription income	7,453,684	7,732,362	7,453,684	7,732,362
- Commission	142,695	150,011	117,288	123,381
- Lease income	1,110,336	1,095,725	1,110,336	1,095,725
- Other	10,925	18,986	33,925	41,985
	<u>8,717,640</u>	<u>8,997,084</u>	<u>8,715,232</u>	<u>8,993,453</u>
Other revenue				
- Interest	35,535	42,354	35,444	42,280
	<u>35,535</u>	<u>42,354</u>	<u>35,444</u>	<u>42,280</u>
Total Revenue	<u><u>8,753,175</u></u>	<u><u>9,039,438</u></u>	<u><u>8,750,677</u></u>	<u><u>9,035,733</u></u>
NOTE 3 – EXPENSES				
Profit/ (loss) before income tax includes the following specific expenses:				
Employee expenses				
Holders of office				
- Wages & salaries	537,307	379,022	537,307	379,022
- Superannuation	45,421	41,048	45,421	41,048
- Leave & other entitlements	(137,652)	16,634	(137,652)	16,634
	<u>445,076</u>	<u>436,704</u>	<u>445,076</u>	<u>436,704</u>
Employees other than office holders				
- Wages & salaries	5,988,658	5,093,733	5,988,658	5,093,733
- Superannuation	667,226	593,869	667,226	593,869
- Leave & other entitlements	82,209	40,099	82,209	40,099
- Separation & redundancies	-	100,767	-	100,767
	<u>6,738,093</u>	<u>5,828,468</u>	<u>6,738,093</u>	<u>5,828,468</u>
Total employee expenses	<u><u>7,183,169</u></u>	<u><u>6,265,172</u></u>	<u><u>7,183,169</u></u>	<u><u>6,265,172</u></u>

**CIVIL SERVICE ASSOCIATION OF WESTERN AUSTRALIA (INCORPORATED)
AND ITS CONTROLLED ENTITIES**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

	CONSOLIDATED ENTITY		ASSOCIATION	
	2019	2018	2019	2018
	\$	\$	\$	\$
NOTE 3 – EXPENSES (cont'd)				
Depreciation of property, plant and equipment	399,218	373,640	399,218	373,640
Affiliation fees – Unions WA	101,360	108,555	101,360	108,555
Auditors' remuneration - audit	16,000	15,999	16,000	15,999
Legal costs	83,050	87,200	83,050	87,200
Net loss on sale of fixed assets	361	4,431	361	4,431
Donations	2,000	3,727	2,000	3,727

NOTE 4 – INCOME TAX EXPENSE

Profit/(Loss) before income tax expense	(674,064)	151,881	(676,530)	148,887
(a) tax at 27.5%	(185,368)	41,767	-	40,944
Less: Tax exempt (loss)/ income	(184,690)	40,748	-	40,944
Less: Utilisation of tax losses not previously recognised.	-	-	-	-
Income tax expense	678	1,019	-	-
(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)
AND ITS CONTROLLED ENTITIES**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

	CONSOLIDATED ENTITY		ASSOCIATION	
	2019	2018	2019	2018
	\$	\$	\$	\$
NOTE 5 – CASH AND CASH EQUIVALENTS				
Cash at bank	2,377,960	2,873,000	2,192,299	2,707,649
Cash on hand	2,000	2,000	2,000	2,000
	<u>2,379,960</u>	<u>2,875,000</u>	<u>2,194,299</u>	<u>2,709,649</u>

NOTE 6 – TRADE AND OTHER RECEIVABLES

Current

Other debtors	321,158	319,844	307,447	300,237
Prepayments	<u>94,419</u>	<u>68,503</u>	<u>94,519</u>	<u>68,503</u>
	<u>415,577</u>	<u>388,347</u>	<u>401,966</u>	<u>368,740</u>

There are related party debtors of \$8,885 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.

Non-Current

Loan to Intra Group Entity				
- Civil Service Holdings Pty Ltd	-	-	132,020	132,020
Less: Allowance for doubtful debts	<u>-</u>	<u>-</u>	<u>(132,020)</u>	<u>(132,020)</u>
	<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.

**CIVIL SERVICE ASSOCIATION OF WESTERN AUSTRALIA (INCORPORATED)
AND ITS CONTROLLED ENTITIES**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

	CONSOLIDATED ENTITY		ASSOCIATION	
	2019	2018	2019	2018
	\$	\$	\$	\$
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 %		2019	2018
		2019	2018	\$	\$
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:

	2019	2018
	\$	\$
Civil Service Association of WA (Inc)	(676,530)	148,887
Civil Service Holdings Pty Ltd	(3,000)	(3,001)
Civil Service Insurance Agency Pty Ltd	31	(307)
CSA Services (WA) Pty Ltd	5,435	6,301
Surplus/ (deficit) for the year	<u>(674,064)</u>	<u>151,880</u>

**CIVIL SERVICE ASSOCIATION OF WESTERN AUSTRALIA (INCORPORATED)
AND ITS CONTROLLED ENTITIES**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

	CONSOLIDATED ENTITY		ASSOCIATION	
	2019	2018	2019	2018
	\$	\$	\$	\$
NOTE 8 – PROPERTY, PLANT AND EQUIPMENT				
Land - at cost	365,147	365,147	365,147	365,147
Buildings - at cost	10,274,026	10,139,510	10,274,026	10,139,510
Less: Accumulated depreciation	(5,246,868)	(4,933,295)	(5,246,868)	(4,933,295)
	5,027,158	5,206,215	5,027,158	5,206,215
Furniture, fittings and equipment - at cost	2,612,446	2,552,404	2,612,446	2,552,404
Less: Accumulated depreciation	(2,340,272)	(2,279,880)	(2,340,272)	(2,279,880)
	272,174	272,524	272,174	272,524
Motor vehicles - at cost	228,036	218,735	228,036	218,735
Less: Accumulated depreciation	(37,679)	(95,093)	(37,679)	(95,093)
	190,357	123,642	190,357	123,642
	5,854,836	5,967,528	5,854,836	5,967,528

Committee 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)
AND ITS CONTROLLED ENTITIES**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

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

Movements in carrying amounts 2019

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 2019.

Consolidated entity	Land	Building	Plant & Equip	Motor Vehicles	Total
Balance at the beginning of the year	365,147	5,206,215	272,524	123,642	5,967,528
Additions	-	135,414	59,908	119,292	314,614
Disposals - net	-	-	-	(28,088)	(28,088)
Depreciation expense	-	(314,471)	(60,258)	(24,489)	(399,218)
Carrying amount at the end of the year	365,147	5,027,158	272,174	190,357	5,854,836

Association	Land	Building	Plant & Equip	Motor Vehicles	Total
Balance at the beginning of the year	365,147	5,206,215	272,524	123,642	5,967,528
Additions	-	135,414	59,908	119,292	314,614
Disposals - net	-	-	-	(28,088)	(28,088)
Depreciation expense	-	(314,471)	(60,258)	(24,489)	(399,218)
Carrying amount at the end of the year	365,147	5,027,158	272,174	190,357	5,854,836

Movements in Carrying amounts 2018

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 2018.

Consolidated entity	Land	Building	Plant & Equip	Motor Vehicles	Total
Balance at the beginning of the year	365,147	5,108,020	208,543	91,977	5,773,687
Additions	-	404,522	112,120	84,816	601,458
Disposals - net	-	-	-	(33,977)	(33,977)
Depreciation expense	-	(306,327)	(48,139)	(19,174)	(373,640)
Carrying amount at the end of the year	365,147	5,206,215	272,524	123,642	5,967,528

Association	Land	Building	Plant & Equip	Motor Vehicles	Total
Balance at the beginning of the year	365,147	5,108,020	208,543	91,977	5,773,687
Additions	-	404,522	112,120	84,816	604,458
Disposals - net	-	-	-	(33,977)	(33,977)
Depreciation expense	-	(306,327)	(48,139)	(19,174)	(373,640)
Carrying amount at the end of the year	365,147	5,206,215	272,524	123,642	5,967,528

**CIVIL SERVICE ASSOCIATION OF WESTERN AUSTRALIA (INCORPORATED)
AND ITS CONTROLLED ENTITIES**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

	CONSOLIDATED ENTITY		ASSOCIATION	
	2019	2018	2019	2018
	\$	\$	\$	\$
NOTE 9 – TRADE AND OTHER PAYABLES				
Current				
Sundry creditors and accruals	846,321	696,638	824,662	687,505
	<u>846,321</u>	<u>696,638</u>	<u>824,662</u>	<u>687,505</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	55,582	59,853	55,582	59,853
- Provision for long service leave	<u>100,394</u>	<u>201,885</u>	<u>100,394</u>	<u>201,885</u>
	155,976	261,738	155,976	261,738
Employees other than office holders				
- Provision for annual leave	500,446	447,549	500,446	447,549
- Provision for long service leave	<u>545,468</u>	<u>605,868</u>	<u>545,468</u>	<u>605,868</u>
	<u>1,045,914</u>	<u>1,053,417</u>	<u>1,045,914</u>	<u>1,053,417</u>
Total employee provisions – current	<u>1,201,890</u>	<u>1,315,155</u>	<u>1,201,890</u>	<u>1,315,155</u>
Employee provisions - Non-current				
Provision for long service leave –				
- office holders	-	-	-	-
- Employees other than office holders	<u>120,142</u>	<u>62,320</u>	<u>120,142</u>	<u>62,320</u>
Total employee provisions – non current	<u>120,142</u>	<u>62,320</u>	<u>120,142</u>	<u>62,320</u>
Number of employees at year end	<u>67</u>	<u>60</u>	<u>67</u>	<u>60</u>

**CIVIL SERVICE ASSOCIATION OF WESTERN AUSTRALIA (INCORPORATED)
AND ITS CONTROLLED ENTITIES**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

NOTE 11 – RETAINED EARNINGS

	CONSOLIDATED ENTITY		ASSOCIATION	
	2019	2018	2019	2018
	\$	\$	\$	\$
Retained Earnings	<u>6,482,020</u>	<u>7,156,762</u>	<u>6,084,407</u>	<u>6,760,937</u>

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:

Name	Position	
Toni Walkington	Branch Secretary	(resigned 23 rd November 2018)
Rikki Hendon	Branch Secretary	(appointed 24 th November 2018)
	Branch Assistant Secretary	(vacated 24 th November 2018)
Melanie Bray	Branch Assistant Secretary	(appointed 24 th November 2018)
Brian Dodds	Branch President	
Bruce Hawkins	Branch Treasurer	
Matthew Abrahamson	Branch Vice President	
Becky Anderson	Branch Vice President	
Lewis Stevens	Executive Councillor	
Grant Sutherland	Executive Councillor	
Denise Henden	Executive Councillor	
Kurt Mayerhofer	Executive Councillor	
Leanne Reid	Executive Councillor	

**CIVIL SERVICE ASSOCIATION OF WESTERN AUSTRALIA (INCORPORATED)
AND ITS CONTROLLED ENTITIES**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

	CONSOLIDATED ENTITY		ASSOCIATION	
	2019	2018	2019	2018
	\$	\$	\$	\$
(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.	445,076	436,704	445,076	436,704

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 (2018: \$23,000). These fees were based on commercial terms and conditions.

NOTE 13 – COMMITMENTS

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

At reporting date the aggregate lease commitment was as follows:

Operating Lease Commitments

	CONSOLIDATED ENTITY		ASSOCIATION	
	2019	2018	2019	2018
	\$	\$	\$	\$
(i) due within one year	10,545	29,436	10,545	29,436
(ii) due later than one year and less than two years	10,545	24,312	10,545	24,312
(iii) due later than two years and less than five years	31,634	6,705	31,634	6,705
	<u>52,724</u>	<u>60,453</u>	<u>52,724</u>	<u>60,453</u>

**CIVIL SERVICE ASSOCIATION OF WESTERN AUSTRALIA (INCORPORATED)
AND ITS CONTROLLED ENTITIES**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

NOTE 14 – CASH FLOW INFORMATION

(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	
	2019	2018	2019	2018
	\$	\$	\$	\$
Cash and cash equivalents	1,045,409	1,602,661	859,748	1,437,310
Term deposits	1,334,551	1,272,339	1,334,551	1,272,339
	<u>2,379,960</u>	<u>2,875,000</u>	<u>2,194,299</u>	<u>2,709,649</u>

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

Profit/ (loss) for the year	(674,742)	150,862	(676,530)	148,887
Non-cash flows in surplus from ordinary activities				
Depreciation of property, plant and equipment	399,218	373,640	399,218	373,640
Loss on disposal of property, plant and equipment	361	4,431	361	4,431
Change in assets and liabilities				
(Increase)/decrease in sundry debtors	(1,314)	(86,892)	(7,210)	(85,693)
(Increase)/decrease in prepayments	(25,916)	(7,019)	(26,016)	(7,019)
Increase/(decrease) in sundry creditors	143,193	(80,139)	130,326	(80,139)
Increase/(decrease) in provisions for employee leave benefits	(55,443)	56,733	(55,443)	56,733
Increase/(decrease) in bonds & deposits	6,831	3,296	6,831	3,296
Increase/(decrease) in income tax provision	(341)	1,019	-	-
Net cash (outflow)/ inflow from operating activities	<u>(208,153)</u>	<u>415,931</u>	<u>(228,463)</u>	<u>412,616</u>

**CIVIL SERVICE ASSOCIATION OF WESTERN AUSTRALIA (INCORPORATED)
AND ITS CONTROLLED ENTITIES**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

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

30/06/19	Weighted Average Effective Interest Rate	Floating Interest Rate \$	Fixed Asset Rate Maturing			
Financial Assets			Within 6 months \$	6 months to 1 year \$	1 to 5 Years \$	Over 5 Years \$
Cash	0%	2,000	-	-	-	-
Cash	0.05% to 0.1%	690,645	-	-	-	-
Cash	0.6%	8,377	-	-	-	-
Cash	1.3%	344,387	-	-	-	-
Term Deposit	2.7% to 2.8%	-	20,000	1,314,551	-	-
		1,045,409	20,000	1,314,551	-	-

30/06/18	Weighted Average Effective Interest Rate	Floating Interest Rate \$	Fixed Asset Rate Maturing			
Financial Assets			Within 6 months \$	6 months to 1 year \$	1 to 5 Years \$	Over 5 Years \$
Cash	0%	2,000	-	-	-	-
Cash	0.05% to 0.1%	804,609	-	-	-	-
Cash	0.6%	7,695	-	-	-	-
Term Deposit	1.3%	788,357	-	-	-	-
Term Deposit	2.4% to 2.8%	-	20,000	1,252,339	-	-
		1,602,661	20,000	1,252,339	-	-

**CIVIL SERVICE ASSOCIATION OF WESTERN AUSTRALIA (INCORPORATED)
AND ITS CONTROLLED ENTITIES**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

NOTE 15 - FINANCIAL INSTRUMENTS (cont'd)

Association

30/06/19	Weighted Average Effective Interest Rate	Floating Interest Rate \$	Fixed Asset Rate Maturing			
Financial Assets			Within 6 months \$	6 months to 1 year \$	1 to 5 Years \$	Over 5 Years \$
Cash	0%	2,000	-	-	-	-
Cash	0.05% to 0.1%	504,984	-	-	-	-
Cash	0.6%	8,377	-	-	-	-
Cash	1.3%	344,387	-	-	-	-
Term Deposit	2.4% to 2.8%	-	20,000	1,314,551	-	-
		859,748	20,000	1,314,551	-	-

30/06/18	Weighted Average Effective Interest Rate	Floating Interest Rate \$	Fixed Asset Rate Maturing			
Financial Assets			Within 6 months \$	6 months to 1 year \$	1 to 5 Years \$	Over 5 Years \$
Cash	0%	2,000	-	-	-	-
Cash	0.05% to 0.1%	639,258	-	-	-	-
Cash	0.6%	7,695	-	-	-	-
Term Deposit	1.3%	788,357	-	-	-	-
Term Deposit	2.4% to 2.8%	-	20,000	1,252,339	-	-
		1,437,310	20,000	1,252,339	-	-

(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 \$2,379,960 would be an extra \$23,799 income if interest rates rise or cost if interest rates fall.

(iii) Market Risk

All trade and other payables are due within 3 months.

**CIVIL SERVICE ASSOCIATION OF WESTERN AUSTRALIA (INCORPORATED)
AND ITS CONTROLLED ENTITIES**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

NOTE 16 – ASSOCIATION DETAILS

The principal place of business of the association and its controlled entities is:

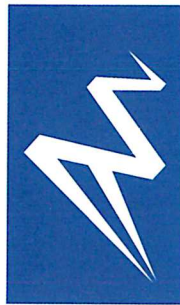
Level 5, 445 Hay Street, Perth Western Australia 6000.

NOTE 17 – EVENTS OCCURING AFTER REPORTING DATE

There are no significant events after reporting date.

NOTE 18 – COMPARATIVE FIGURES

Certain comparative figures have been restated to conform with current year's presentation.



Anderson Munro & Wyllie

CHARTERED ACCOUNTANTS, REGISTERED COMPANY
AUDITORS AND REGISTERED SMSF AUDITORS

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AUDITORS' 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 2019. 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 12th day of September 2019

AMW (AUDIT) PTY LTD

Anderson Munro & Wyllie

ANDERSON MUNRO & WYLLIE
Chartered Accountants

MARTIN SHONE
Principal

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

**DETAILED OPERATING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2019**

	PARENT	
	2019	2018
	\$	\$
<u>INCOME</u>		
Members' subscriptions	7,453,684	7,732,362
Interest on investments	35,444	42,280
Miscellaneous income	10,925	18,986
Management fees	23,000	23,000
Lease income	1,110,336	1,095,724
Commission income	117,288	123,381
TOTAL INCOME	8,750,677	9,035,733
<u>EXPENDITURE</u>		
Advertising	3,401	3,312
Affiliation fees	101,360	108,655
Audit & accounting	13,000	13,000
Bank charges	70,923	70,703
Books & Publications	12,166	14,914
Cleaning & domestic	104,188	111,159
Computer expenses	145,133	164,531
Council expenses	41,122	37,857
Courier services	384	480
Depreciation	399,218	373,640
Donations	1,800	3,355
Fuel, light & power	186,926	176,660
General expenses	34,825	23,612
Insurance	62,328	74,161
Journal Publication costs	34,884	37,805
Journey cover	95,789	115,524
Legal fees	83,050	87,200
Maintenance	187,627	232,025
Management services	-	13,819
Media monitoring	1,454	2,417
Membership fees & levies - shoprite	11,258	11,636
Motor vehicle costs	46,008	53,051
Photocopy cost	48,956	46,822
Postage	11,556	11,935
Promotions	12,125	4,136
Rates & taxes	84,867	86,015
Regional visits	24,744	8,176
Rent	-	1,215
Security	5,885	5,022

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

**DETAILED OPERATING STATEMENT (Cont'd)
FOR THE YEAR ENDED 30 JUNE 2019**

	PARENT	
	2019	2018
	\$	\$
Special projects	64,232	40,051
Staff amenities	9,614	9,104
Staff expenses	7,373,672	6,774,351
Staff training	31,284	37,997
Staff uniforms	-	-
Stationery	24,315	16,999
Storage facility	10,340	11,846
Telephone	42,373	59,259
Travelling expenses	2,791	1,002
Web development costs	6,225	5,533
Workplace representatives training	31,829	33,437
Loss on sale of assets	361	4,431
TOTAL EXPENDITURE	9,427,207	8,886,847
OPERATING (DEFICIT) / SURPLUS	(676,530)	148,887