

**CIVIL SERVICE ASSOCIATION OF  
WESTERN AUSTRALIA (INCORPORATED)  
AND ITS CONTROLLED ENTITIES  
FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2011**

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

**FINANCIAL REPORT**

**FOR THE YEAR ENDED 30 JUNE 2011**

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

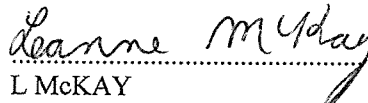
**STATEMENT BY MEMBERS OF THE EXECUTIVE COMMITTEE**

In the opinion of the Committee the financial report as set out on pages 4 to 23;

1. Presents fairly the financial position of the Civil Service Association of Western Australia (Incorporated) as at 30 June 2011 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.
3. The financial report for the year ended 30 June 2011 has been properly drawn up in accordance with the Industrial Relations Act 1979 (as amended) and the regulations under the Trade Unions Act 1902.

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

  
.....  
L McKAY  
President

Dated at Perth this *12* day of *September 2011*

# **Independent Auditor's Report to the Members of Civil Services Association of Western Australia (Incorporated)**

## **Report on the Financial Report**

We have audited the accompanying financial report of Civil Services Association of Western Australia (Incorporated), which comprises the statement of financial position as at 30 June 2011, the statement of comprehensive income, the statement of cash flows and the statement of changes in equity for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the committee's declaration of Civil Services Association of Western Australia (Incorporated) and the entities it controlled at the year's end or from time to time during the financial year as set out on pages 4 to 23.

### *Committee's Responsibility for the Financial Report*

The committee of the entity is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Industrial Relations Act 1979, and for such internal control as the committee of the entity determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1, the committee also states, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply 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. Those 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 judgement, 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.

## *Opinion*

In our opinion:

- (a) the financial report of Civil Services Association of Western Australia (Incorporated) presents fairly, in all material respects, the Association's financial position as at 30 June 2011 and its financial performance for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations and the Industrial Relations Act 1979); and
- (b) the financial statements also comply with International Financial Reporting Standards as disclosed in Note 1.

## *Report on Other Legal and Regulatory Requirements*

Additionally we report that we are not aware of any breach of Section 74 of the Western Australian Industrial Relations Act 1979.

*Deloitte Touche Tohmatsu*

DELOITTE TOUCHE TOHMATSU

*CMaf*

**Conley Manifis**

Partner

Chartered Accountants

Perth, 12 September 2011

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

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2011**

	NOTES	CONSOLIDATED ENTITY		ASSOCIATION	
		2011	2010	2011	2010
		\$	\$	\$	\$
Revenues from continuing operations	2	9,393,567	8,241,871	9,333,994	8,191,866
Employee benefits expense		(5,982,278)	(5,526,545)	(5,982,278)	(5,526,546)
Legal fees		(79,091)	(85,351)	(79,091)	(85,351)
Depreciation expense	3	(353,432)	(327,638)	(353,432)	(327,638)
Provision for diminution of Loan		-	-	-	-
Provision for diminution of investment in subsidiary		-	-	-	-
Other expenses from ordinary activities		(2,054,389)	(2,094,678)	(2,053,363)	(2,093,823)
		<u>924,377</u>	<u>207,659</u>	<u>865,830</u>	<u>158,508</u>
Operating result before income tax expense	4	<u>924,377</u>	<u>207,659</u>	<u>865,830</u>	<u>158,508</u>
Income tax expense	4	<u>(9,082)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Operating result for the year		<u><u>915,295</u></u>	<u><u>207,659</u></u>	<u><u>865,830</u></u>	<u><u>158,508</u></u>
<b><u>Other Comprehensive Income</u></b>					
Other Comprehensive Income for the period net of tax		-	-	-	-
Total Comprehensive Income for the Period		<u><u>915,295</u></u>	<u><u>207,659</u></u>	<u><u>865,830</u></u>	<u><u>158,508</u></u>

*The above Statement of 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 2011**

	NOTE	CONSOLIDATED ENTITY		ASSOCIATION	
		2011	2010	2011	2010
		\$	\$	\$	\$
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	5	3,251,048	3,061,082	3,125,162	2,987,467
Trade and other receivables	6	394,964	254,020	367,524	244,408
<b>TOTAL CURRENT ASSETS</b>		<u>3,646,012</u>	<u>3,315,102</u>	<u>3,492,686</u>	<u>3,231,875</u>
<b>NON-CURRENT ASSETS</b>					
Receivables	6	-	-	-	-
Other financial assets	7	-	-	-	-
Property, plant and equipment	8	6,095,094	5,354,640	6,095,094	5,354,640
<b>TOTAL NON-CURRENT ASSETS</b>		<u>6,095,094</u>	<u>5,354,640</u>	<u>6,095,094</u>	<u>5,354,640</u>
<b>TOTAL ASSETS</b>		<u>9,741,106</u>	<u>8,669,742</u>	<u>9,587,780</u>	<u>8,586,515</u>
<b>CURRENT LIABILITIES</b>					
Trade and other payables	9	1,018,339	941,054	1,001,130	935,397
Provisions	10	847,784	799,533	847,784	799,533
<b>TOTAL CURRENT LIABILITIES</b>		<u>1,866,123</u>	<u>1,740,587</u>	<u>1,848,914</u>	<u>1,734,930</u>
<b>NON-CURRENT LIABILITIES</b>					
Trade and other payables	9	-	-	100,000	100,000
Provisions	10	128,618	107,167	128,618	107,167
Income Tax Provision		9,082	-	-	-
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>137,700</u>	<u>107,167</u>	<u>228,618</u>	<u>207,167</u>
<b>TOTAL LIABILITIES</b>		<u>2,003,823</u>	<u>1,847,754</u>	<u>2,077,532</u>	<u>1,942,097</u>
<b>NET ASSETS</b>		<u>7,737,283</u>	<u>6,821,988</u>	<u>7,510,248</u>	<u>6,644,418</u>
<b>EQUITY</b>					
Retained Profits	11	7,737,283	6,821,988	7,510,248	6,644,418
<b>TOTAL EQUITY</b>		<u>7,737,283</u>	<u>6,821,988</u>	<u>7,510,248</u>	<u>6,644,418</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 2011**

	<b>CONSOLIDATED ENTITY</b>		<b>ASSOCIATION</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Total equity at the beginning of the financial year</b>	<b>6,821,988</b>	<b>6,614,329</b>	<b>6,644,418</b>	<b>6,485,910</b>
<b>Operating result for the year</b>	<b>915,295</b>	<b>207,659</b>	<b>865,830</b>	<b>158,508</b>
<b>Other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period</b>	<b>915,295</b>	<b>207,659</b>	<b>865,830</b>	<b>158,508</b>
<b>Total equity at the end of the financial year</b>	<b>7,737,283</b>	<b>6,821,988</b>	<b>7,510,248</b>	<b>6,644,418</b>



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

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2011**

	<b>CONSOLIDATED ENTITY</b>		<b>ASSOCIATION</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Cash Flows from Operating Activities</b>				
Receipts from customers and members	9,066,519	8,192,093	9,033,079	8,148,033
Payments to suppliers and employees	(7,963,331)	(7,350,918)	(7,979,597)	(7,240,571)
Interest received	180,664	128,289	178,099	126,837
Interest paid				
Net cash inflow from operating activities (Note 14 (b))	1,283,852	969,464	1,231,581	1,034,299
<b>Cash Flows from Investing Activities</b>				
Payments for property, plant & equipment	(1,093,886)	(1,084,226)	(1,093,886)	(1,084,226)
Proceeds from sale of property, plant & equipment	-	-	-	-
Dividend Income	-	-	-	-
Proceeds from sale of financial asset	-	-	-	-
Net cash (outflow) inflow from investing activities	(1,093,886)	(1,084,226)	(1,093,886)	(1,084,226)
Net increase in cash and cash equivalents held	189,966	(114,762)	137,695	(49,927)
Cash and cash equivalents at the beginning of the financial year	3,061,082	3,175,844	2,987,467	3,037,394
Cash and cash equivalents at end of year (Note 14 (a))	3,251,048	3,061,082	3,125,162	2,987,467

*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 2011**

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**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 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 an Association incorporated in Western Australia under the Associations Incorporation Act.

***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 2011 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 balance 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)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011**

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**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           | 1.5%            |
| • Plant and equipment | 7.5% to 40%     |
| • Motor vehicles      | 18.75% to 22.5% |

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet 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)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011**

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**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 comprehensive income.

**g. Employee Benefits**

Provision is made for the association's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with benefits arising from wages and salaries, and annual leave which will be settled after one year have been measured at the amount expected to be paid when the liability is settled plus related on-costs.

A liability for long service leave is recognised and is measured as the present value of expected future payments to be made in respect of services provided by employees up to balance date

*i. Wages and salaries, annual leave and sick leave*

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled plus related on-costs.

*ii. Long Service Leave*

In assessing expected future payments, the Association has adopted the shorthand measurement technique referred to in AASB 119 and based the provision on remuneration rates current as at balance date for all employees with two or more years of service. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. The Executive Committee believes that this method provides an estimate of the liability that is not materially different from the estimate that would be obtained by using the present value basis of measurement.

**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

**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.

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011**

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

**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.

Collectibility 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 receipt of cash. 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 2011**

	<b>CONSOLIDATED ENTITY</b>		<b>ASSOCIATION</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>NOTE 2 - REVENUE</b>				
Revenue from continuing operations				
- Subscription income	7,895,030	6,745,979	7,895,030	6,745,979
- Commission	190,344	181,891	-	-
- Lease income	1,105,323	1,162,607	1,105,323	1,162,607
- Other	22,205	23,105	155,543	156,443
	<u>9,212,902</u>	<u>8,113,582</u>	<u>9,155,896</u>	<u>8,065,029</u>
Other Revenue				
- Dividends	-	-	-	-
- Interest	180,665	128,289	178,098	126,837
Total Revenue	<u>9,393,567</u>	<u>8,241,871</u>	<u>9,333,994</u>	<u>8,191,866</u>

**NOTE 3 – EXPENSES**

Profit before income tax includes the following specific expenses:

Expenses

Depreciation of property, plant and equipment	353,432	327,638	353,432	327,638
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Auditors' remuneration				
- audit 2010 (PKF Chartered Accountants & Business Advisers)	-	9,900	-	9,900

Auditors' remuneration				
- audit 2010/ 2011 (Deloitte Touche Tohmatsu)	25,470	17,820	25,470	17,820

Other Income

Net gain on sale of other financial assets	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011**

	<b>CONSOLIDATED ENTITY</b>		<b>ASSOCIATION</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>NOTE 4 – INCOME TAX EXPENSE</b>				
Profit before income tax exp	924,377	207,659	865,830	158,508
(a) tax at 30% (2010: 30%)	277,313	62,298	259,749	47,552
Less: Tax exempt income	(259,749)	(47,552)	(259,749)	(47,552)
Less: Utilisation of tax losses not previously recognised.	(8,482)	(14,746)	-	-
Income tax expense	(9,082)	-	-	-
(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	-	8,482	-	-
- timing differences	-	-	-	-
	-	8,482	-	-

**NOTE 5 – CASH AND CASH  
EQUIVALENTS**

Cash at bank	3,249,248	3,059,282	3,123,362	2,985,667
Cash on hand	1,800	1,800	1,800	1,800
	3,251,048	3,061,082	3,125,162	2,987,467

**NOTE 6 – TRADE AND OTHER  
RECEIVABLES**

<i>Current</i>				
Commissions receivable	-	3,622	-	-
Service charges receivable	-	-	-	-
Other debtors	362,330	212,323	334,890	206,333
Prepayments	32,634	38,075	32,634	38,075
	394,964	254,020	367,524	244,408

There are no Related Party Debtors included 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 2011**

	<b>CONSOLIDATED ENTITY</b>		<b>ASSOCIATION</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>NOTE 6 – TRADE AND OTHER RECEIVABLES (con't)</b>				
<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 Holidays 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		2011 \$	2010 \$
		2011	2010		
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:

	<b>2011 \$</b>	<b>2010 \$</b>
Civil Service Association of WA (Inc)	865,830	158,508
Civil Service Holdings Pty Ltd	(3,218)	(3,166)
Civil Service Insurance Agency Pty Ltd	32,545	31,582
CSA Services (WA) Pty Ltd	29,220	20,735
Jetwest Travel Pty Ltd	-	-
Provision for Income Tax Payable in Civil Service Holdings Pty Ltd	(9,082)	-
Surplus for the year	<u>915,295</u>	<u>207,659</u>



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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011**

	<b>CONSOLIDATED ENTITY</b>		<b>ASSOCIATION</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>NOTE 8 – PROPERTY, PLANT AND EQUIPMENT</b>				
Land - at cost	365,147	365,147	365,147	365,147
Buildings - at cost	7,772,088	6,819,072	7,772,088	6,819,072
Less: Accumulated depreciation	(2,609,799)	(2,374,840)	(2,609,799)	(2,374,840)
	5,162,289	4,444,232	5,162,289	4,444,232
Furniture, fittings and equipment - at cost	2,226,729	2,085,859	2,226,729	2,085,859
Less: Accumulated depreciation	(1,754,911)	(1,658,566)	(1,754,911)	(1,658,566)
	471,818	427,293	471,818	427,293
Motor vehicles - at cost	217,277	217,277	217,277	217,277
Less: Accumulated depreciation	(121,437)	(99,309)	(121,437)	(99,309)
	95,840	117,968	95,840	117,968
	<u>6,095,094</u>	<u>5,354,640</u>	<u>6,095,094</u>	<u>5,354,640</u>

Land and buildings are valued or appraised by recognised licensed valuers or real estate agents around once every three years. The market values as at the last valuation dates are 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 2011**

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

*Movements in Carrying Amounts 2011*

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 2011

<b>Consolidated Entity</b>	<i>Land</i>	<i>Building</i>	<i>Plant &amp; Equip</i>	<i>Motor Vehicles</i>	<i>Total</i>
Balance at the beginning of the year	365,147	4,444,232	427,293	117,968	5,354,640
Additions	-	953,016	140,870	-	1,093,886
Disposals	-	-	-	-	-
Depreciation expense	-	(234,959)	(96,345)	(22,128)	(353,432)
Carrying amount at the end of the year	365,147	5,162,289	471,818	95,840	6,095,094

<b>Association</b>	<i>Land</i>	<i>Building</i>	<i>Plant &amp; Equip</i>	<i>Motor Vehicles</i>	<i>Total</i>
Balance at the beginning of the year	365,147	4,444,232	427,293	117,968	5,354,640
Additions	-	953,016	140,870	-	1,093,886
Disposals	-	-	-	-	-
Depreciation expense	-	(234,959)	(96,345)	(22,128)	(353,432)
Carrying amount at the end of the year	365,147	5,162,289	471,818	95,840	6,095,094

*Movements in Carrying Amounts 2010*

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 2010

<b>Consolidated Entity</b>	<i>Land</i>	<i>Building</i>	<i>Plant &amp; Equip</i>	<i>Motor Vehicles</i>	<i>Total</i>
Balance at the beginning of the year	365,147	3,694,184	393,526	145,196	4,598,053
Additions	-	955,919	128,307	-	1,084,226
Disposals	-	-	-	-	-
Depreciation expense	-	(205,871)	(94,540)	(27,228)	(327,639)
Carrying amount at the end of the year	365,147	4,444,232	427,293	117,968	5,354,640

<b>Association</b>	<i>Land</i>	<i>Building</i>	<i>Plant &amp; Equip</i>	<i>Motor Vehicles</i>	<i>Total</i>
Balance at the beginning of the year	365,147	3,694,184	393,526	145,196	4,598,053
Additions	-	955,919	128,307	-	1,084,226
Disposals	-	-	-	-	-
Depreciation expense	-	(205,871)	(94,540)	(27,228)	(327,639)
Carrying amount at the end of the year	365,147	4,444,232	427,293	117,968	5,354,640

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011**

**NOTE 9 – TRADE AND OTHER PAYABLES**

	<b>CONSOLIDATED ENTITY</b>		<b>ASSOCIATION</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Current				
Sundry creditors and accruals	1,018,339	941,054	1,001,130	935,397
	<u>1,018,339</u>	<u>941,054</u>	<u>1,001,130</u>	<u>935,397</u>
Non Current				
Creditor – Other Group Company	-	-	100,000	100,000
	<u>-</u>	<u>-</u>	<u>100,000</u>	<u>100,000</u>

**NOTE 10 - PROVISIONS**

Current				
- Provision for annual leave	309,658	292,911	309,658	292,911
- Provision for long service leave	<u>538,126</u>	<u>506,622</u>	<u>538,126</u>	<u>506,622</u>
	<u>847,784</u>	<u>799,533</u>	<u>847,784</u>	<u>799,533</u>
Non-Current				
- Provision for long service leave	<u>128,618</u>	<u>107,167</u>	<u>128,618</u>	<u>107,167</u>
Number of employees at year end	<u>81</u>	<u>75</u>	<u>81</u>	<u>75</u>

**NOTE 11 – Retained Earnings**

	<b>CONSOLIDATED ENTITY</b>		<b>ASSOCIATION</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Retained Earnings	7,737,283	6,821,988	7,510,248	6,644,418

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011**

**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:

Ms M Cohen	Ms T Walkington	Ms J Gaines
Mr G Richards	Ms L McKay	Mr G Wroth
Mr B Hawkins	Ms D Henden	Mr G Sutherland
Mr B Dodds	Mr G Hempsall	

	CONSOLIDATED ENTITY		ASSOCIATION	
	2011	2010	2011	2010
	\$	\$	\$	\$
<b>(b) Remuneration of Executive Committee Members</b>				
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.				
	391,422	334,642	390,702	333,232

**(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 \$133,338 (2010: \$133,338). 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 2011**

**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 balance date the aggregate lease commitment was as follows:

	<b>CONSOLIDATED ENTITY</b>		<b>ASSOCIATION</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
(i) due within one year	377,384	16,155	377,384	16,155
(ii) due later than one year and less than two years	30,686	19,202	30,686	19,202
(iii) due later than two years and less than five years	69,950	40,725	69,950	40,725
	<u>478,020</u>	<u>76,082</u>	<u>478,020</u>	<u>76,082</u>

**NOTE 14 - RECONCILIATION OF NET CASH PROVIDED BY OPERATING  
ACTIVITIES TO OPERATING SURPLUS 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 sheet as follows:

	<b>CONSOLIDATED ENTITY</b>		<b>ASSOCIATION</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Cash and cash equivalents	1,074,930	1,048,201	949,044	974,586
Term Deposits	<u>2,176,118</u>	<u>2,012,881</u>	<u>2,176,118</u>	<u>2,012,881</u>
	<u>3,251,048</u>	<u>3,061,082</u>	<u>3,125,162</u>	<u>2,987,467</u>

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011**

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

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

	<b>CONSOLIDATED ENTITY</b>		<b>ASSOCIATION</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Profit for the year	915,295	207,659	865,830	158,508
<b>Non-cash flows in surplus from ordinary activities</b>				
Depreciation of property, plant and equipment	353,432	327,639	353,432	327,639
Loss/(profit) on disposal of property, plant and equipment	-	-	-	-
Profit on sale of financial asset	-	-	-	-
Dividend Income	-	-	-	-
<b>Provision for diminution of Loan</b>	-	-	-	-
<b>Provision of diminution of Investment in Subsidiary</b>	-	-	-	-
<b>Change in assets and liabilities</b>				
(Increase) decrease in sundry debtors	(146,385)	78,511	(128,557)	78,416
(Increase) decrease in loan receivables				-
(Increase) decrease in prepayments	5,441	(11,088)	5,441	(11,087)
Increase (decrease) in sundry creditors	71,545	315,897	59,993	329,977
Provisions for employee leave benefits	69,702	46,258	69,702	46,258
Increase (decrease) in bonds & deposits	5,740	4,588	5,740	4,588
Increase (decrease) in income tax provision	9,082	-	-	-
Increase (decrease) in loan payables	-	-	-	100,000
Net cash (outflow) inflow from operating activities	1,283,852	969,464	1,231,581	1,034,299

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011**

**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**

30/06/11	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 \$
<b>Financial Assets</b>						
Cash	0%	1,800		-	-	-
Cash	4.0% to 4.9 %	1,073,130		-	-	-
Term Deposit	5.76%	-	858,079	-	-	-
Term Deposit	6.12%		1,183,053			
Term Deposit	6.34%	-		94,986	-	-
Term Deposit	6.2%	-	-	40,000	-	-
		1,074,930	2,041,132	134,986	-	-

30/06/10	Weighted Average Effective Interest Rate	Floating Interest Rate \$	Fixed Asset Rate Maturing			
			Within 6 Months \$	6 months – 1 year \$	1 to 5 Years \$	Over 5 Years \$
<b>Financial Assets</b>						
Cash	0%	1,800	-	-	-	-
Cash	4.0% to 4.9 %	1,046,401	-	-	-	-
Term Deposit	6.0%	-	808,553	-	-	-
Term Deposit	6.02%	-	1,114,845	-	-	-
Term Deposit	6.15%	-	-	89,483	-	-
		1,048,201	1,923,398	89,483	-	-

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011**

**Association**

30/06/11	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%	1,800		-	-	-
Cash	4.0% to 4.9 %	947,244		-	-	-
Term Deposit	5.76%	-	858,079	-	-	-
Term Deposit	6.12%		1,183,053			
Term Deposit	6.34%	-		94,986	-	-
Term Deposit	6.2%	-	-	40,000	-	-
		949,044	2,041,132	134,986	-	-

30/06/10	Weighted Average Effective Interest Rate	Floating Interest Rate	Fixed Asset Rate Maturing			
			Within 6 Months	6 months - 1 year	1 to 5 Years	Over 5 Years
Financial Assets		\$	\$	\$	\$	\$
Cash	0%	1,800	-	-	-	-
Cash	4.0% to 4.9 %	972,786	-	-	-	-
Term Deposit	6.0%	-	808,553	-	-	-
Term Deposit	6.02%	-	1,114,845	-	-	-
Term Deposit	6.15%	-	-	89,483	-	-
		974,586	1,923,398	89,483	-	-

*(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 \$947,244 would be an extra \$9,472.44 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 2011**

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**NOTE 16 – ASSOCIATION DETAILS**

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

**NOTE 17 – EVENTS OCCURING AFTER REPORTING DATE**

There are no significant events after reporting date.

**DISCLAIMER TO THE MEMBERS OF  
CIVIL SERVICE ASSOCIATION OF WESTERN AUSTRALIA  
(INCORPORATED)**

The additional financial data presented in the following pages is in accordance with the books and records of the Association, which have been subjected to the auditing procedures applied in our statutory audit for the year ended 30 June 2011. It will be appreciated that our statutory audit did not cover all details of the additional financial data.

Accordingly, we do not express an opinion on such financial data and we give no warranty of accuracy or reliability in respect of the data provided. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person in respect of such data, including any errors or omissions therein however caused.

*Deloitte Touche Tohmatsu*

DELOITTE TOUCHE TOHMATSU

*C Manifis*

**Conley Manifis**  
Partner

Chartered Accountant  
Perth, 12 September 2011

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

**DETAILED OPERATING STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2011**

	<b>PARENT</b>	
	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>
<b><u>INCOME</u></b>		
Members' subscriptions	7,895,030	6,745,979
Interest on investments	178,098	126,837
Journal advertising	6,000	4,600
Miscellaneous income	16,205	18,505
Management, Computer services	133,338	133,338
Lease income	1,105,323	1,162,607
Profit on sale of assets	-	-
Write-back of provision for doubtful debts	-	-
<b>TOTAL INCOME</b>	<b>9,333,994</b>	<b>8,191,866</b>
<b><u>EXPENDITURE</u></b>		
Advertising	19,021	33,656
Affiliation fees	72,703	65,724
Audit & accounting	30,033	28,067
Bank Charges	61,208	55,400
Cleaning & Domestic	68,854	63,012
Computer expenses	80,836	64,599
Council expenses	53,938	51,690
Courier Services	1,673	1,697
Depreciation	353,432	327,639
Donations	9,900	8,199
Fuel, light & power	144,216	130,225
General expenses	14,382	20,770
Insurance	62,949	57,128
Journal Publication costs	130,031	141,788
Journey Cover	219,283	155,333
Legal Fees	79,091	85,351
Library	-	-
Maintenance	132,199	166,120
Management Services	11,481	15,062
Media monitoring	6,340	7,633
Membership Fees & Levies – Shoprite	13,577	14,505
Motor vehicle costs	52,281	54,920
Photocopy cost	45,685	44,861
Postage	18,346	24,178
Printing	-	218
Promotions	36,021	53,028
Rates & taxes	40,518	37,341
Regional visits	69,226	84,403
Rent	1,620	1,620
Security	10,000	11,981

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

**DETAILED OPERATING STATEMENT (Cont'd)  
FOR THE YEAR ENDED 30 JUNE 2011**

	<b>PARENT</b>	
	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>
Special Projects	454,599	529,440
Staff amenities	9,962	11,885
Staff expenses	5,984,298	5,500,897
Staff training	51,990	70,422
Staff uniforms	3,148	-
Stationery	26,301	32,796
Storage facility	7,885	7,408
Telephone	50,508	52,662
Travelling expenses	2,077	1,532
Web Development Costs	18,924	142
Workplace representatives training	19,628	20,026
<b>TOTAL EXPENDITURE</b>	<b>8,468,164</b>	<b>8,033,358</b>
<b>OPERATING SURPLUS</b>	<b>865,830</b>	<b>158,508</b>