

**CIVIL SERVICE ASSOCIATION OF
WESTERN AUSTRALIA (INCORPORATED)
AND ITS CONTROLLED ENTITIES
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2013**

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

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2013

I N D E X

Statement by Members of the Executive Committee	1
Independent Audit Report	2 - 3
Statement of Profit or Loss and Other Comprehensive Income	4
Statement of Financial Position	5
Statement of Changes in Equity	6
Statement of Cash Flows	7
Notes to the Financial Statements	8 - 24
Auditors' Disclaimer	25
Detailed Operating Statement	26 - 27

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

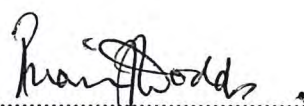
STATEMENT BY MEMBERS OF THE EXECUTIVE COMMITTEE

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 2013 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 2013 has been properly drawn up in accordance with the Industrial Relations Act 1979 (as amended) and the regulations under the Trade Unions Act 1902.
4. Civil Service Association of Western Australia (Incorporated) is a related entity to CPSU SPSF Group WA Branch and therefore these financial statements comply with the Fair Work (Registered Organisations) Act 2009.

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
Acting President

Dated at Perth this 10th day of September 2013



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

Report on the Financial Report

We have audited the accompanying financial report of Civil Service Association of Western Australia (Incorporated) (the "Association") and its controlled entities, which comprises the statement of financial position as at 30 June 2013, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Statement by Members of the Executive Committee for both the Association and the consolidated entity which comprises the Association 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 24.

The Committee Members' Responsibility for the Financial Report

The committee members are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the Industrial Relations Act 1979, the Fair Work (Registered Organisations) Act 2009 and for such internal control as the committee members 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 report 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 about 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 members, as well as evaluating the overall presentation of the financial report.

Sydney
Melbourne
Brisbane
Perth
Adelaide
Auckland

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 the Australian

Professional Ethical Pronouncements.

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CIVIL SERVICE
ASSOCIATION OF WESTERN AUSTRALIA (INCORPORATED) AND
CONTROLLED ENTITIES (CONT)**

Auditor's Opinion

In our opinion:

- a) the financial report presents fairly, in all material respects, the financial position of the Association and consolidated entity as at 30 June 2013, and its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the Industrial Relations Act 1979 and the Fair Work (Registered Organisations) Act 2009; and
- b) the financial report 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.

William Buck

William Buck Audit (WA) Pty Ltd
Registered Company Auditor No.: 339150
ABN 67 125 012 124

CM

Conley Manifis
Director

Dated this 11th day of September, 2013

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

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2013**

	NOTES	CONSOLIDATED ENTITY		ASSOCIATION	
		2013	2012	2013	2012
		\$	\$	\$	\$
Revenues from continuing operations	2	9,721,909	9,667,550	9,647,379	9,595,745
Employee benefits expense		(7,559,022)	(6,652,778)	(7,559,022)	(6,652,778)
Legal fees		(79,212)	(87,721)	(79,212)	(87,721)
Depreciation expense	3	(484,902)	(491,350)	(484,902)	(491,350)
Loss on Disposal of Fixed Assets		(12,601)	(18,977)	(12,601)	(18,977)
Other expenses from ordinary activities		(1,836,258)	(2,045,269)	(1,832,017)	(2,044,587)
		<u>(250,086)</u>	<u>371,455</u>	<u>(320,375)</u>	<u>300,332</u>
Operating result before income tax expense	4	<u>(250,086)</u>	<u>371,455</u>	<u>(320,375)</u>	<u>300,332</u>
Income tax expense	4	<u>(21,087)</u>	<u>(14,878)</u>	<u>-</u>	<u>-</u>
Operating result for the year		<u><u>(271,173)</u></u>	<u><u>356,577</u></u>	<u><u>(320,375)</u></u>	<u><u>300,332</u></u>
<u>Other Comprehensive Income</u>					
Other Comprehensive Income for the period net of tax		-	-	-	-
Total Comprehensive Income for the Period		<u><u>(271,173)</u></u>	<u><u>356,577</u></u>	<u><u>(320,375)</u></u>	<u><u>300,332</u></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 2013**

	NOTE	CONSOLIDATED ENTITY		ASSOCIATION	
		2013	2012	2013	2012
		\$	\$	\$	\$
CURRENT ASSETS					
Cash and cash equivalents	5	3,471,641	3,338,564	3,348,838	3,141,860
Trade and other receivables	6	291,961	244,361	275,173	227,444
TOTAL CURRENT ASSETS		<u>3,763,602</u>	<u>3,582,925</u>	<u>3,624,011</u>	<u>3,369,304</u>
NON-CURRENT ASSETS					
Receivables	6	-	-	-	-
Other financial assets	7	-	-	-	-
Property, plant and equipment	8	6,403,938	6,590,576	6,403,938	6,590,576
TOTAL NON-CURRENT ASSETS		<u>6,403,938</u>	<u>6,590,576</u>	<u>6,403,938</u>	<u>6,590,576</u>
TOTAL ASSETS		<u>10,167,540</u>	<u>10,173,501</u>	<u>10,027,949</u>	<u>9,959,880</u>
CURRENT LIABILITIES					
Trade and other payables	9	1,059,009	989,328	1,041,673	973,865
Provisions	10	1,142,356	922,569	1,142,356	922,569
Income Tax Provision	4	9,773	14,878	-	-
TOTAL CURRENT LIABILITIES		<u>2,211,138</u>	<u>1,926,775</u>	<u>2,184,029</u>	<u>1,896,434</u>
NON-CURRENT LIABILITIES					
Trade and other payables	9	-	-	220,000	100,000
Provisions	10	133,715	152,866	133,715	152,866
TOTAL NON-CURRENT LIABILITIES		<u>133,715</u>	<u>152,866</u>	<u>353,715</u>	<u>252,866</u>
TOTAL LIABILITIES		<u>2,344,853</u>	<u>2,079,641</u>	<u>2,537,744</u>	<u>2,149,300</u>
NET ASSETS		<u>7,822,687</u>	<u>8,093,860</u>	<u>7,490,205</u>	<u>7,810,580</u>
EQUITY					
Retained Profits	11	7,822,687	8,093,860	7,490,205	7,810,580
TOTAL EQUITY		<u>7,822,687</u>	<u>8,093,860</u>	<u>7,490,205</u>	<u>7,810,580</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 2013**

	CONSOLIDATED ENTITY		ASSOCIATION	
	2013	2012	2013	2012
	\$	\$	\$	\$
Total equity at the beginning of the financial year	8,093,860	7,737,283	7,810,580	7,510,248
Operating result for the year	(271,173)	356,577	(320,375)	300,332
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	(271,173)	356,577	(320,375)	300,332
Total equity at the end of the financial year	7,822,687	8,093,860	7,490,205	7,810,580

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

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2013**

	CONSOLIDATED ENTITY		ASSOCIATION	
	2013	2012	2013	2012
	\$	\$	\$	\$
Cash Flows from Operating Activities				
Receipts from customers and members	9,524,746	9,717,348	9,455,761	9,644,236
Payments to suppliers and employees	(9,167,727)	(8,763,225)	(9,053,752)	(8,763,140)
Interest received	116,463	144,937	115,834	141,412
Tax Paid	(29,540)	(5,734)	-	-
Net cash inflow from operating activities (Note 14 (b))	443,942	1,093,326	517,843	1,022,508
Cash Flows from Investing Activities				
Payments for property, plant & equipment	(329,047)	(1,031,719)	(329,047)	(1,031,719)
Proceeds from sale of property, plant & equipment	18,182	25,909	18,182	25,909
Dividend Income	-	-	-	-
Proceeds from sale of financial asset	-	-	-	-
Net cash (outflow) inflow from investing activities	(310,865)	(1,005,810)	(310,865)	(1,005,810)
Net increase in cash and cash equivalents held	133,077	87,516	206,978	16,698
Cash and cash equivalents at the beginning of the financial year	3,338,564	3,251,048	3,141,860	3,125,162
Cash and cash equivalents at end of year (Note 14 (a))	3,471,641	3,338,564	3,348,838	3,141,860

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 2013**

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. Civil Service Association of Western Australia (Incorporated) is a related entity to CPSU SPSF Group WA Branch and therefore these financial statements comply with the Fair Work (Registered Organisations) Act 2009.

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 2013 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 2013**

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 2013**

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 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 2013**

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.

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 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 2013**

	CONSOLIDATED ENTITY		ASSOCIATION	
	2013	2012	2013	2012
	\$	\$	\$	\$
NOTE 2 - REVENUE				
Revenue from continuing operations				
- Subscription income	7,967,303	8,024,629	7,967,303	8,024,629
- Commission	207,238	201,619	-	-
- Lease income	1,371,881	1,247,271	1,371,881	1,247,271
- Other	59,024	49,095	192,361	182,433
	9,605,446	9,522,614	9,531,545	9,454,333
Other Revenue				
- Interest	116,463	144,936	115,834	141,412
Total Revenue	9,721,909	9,667,550	9,647,379	9,595,745
NOTE 3 - EXPENSES				
Profit before income tax includes the following specific expenses:				
Employee Expenses				
Holders of Office				
- Wages & Salaries	337,755	311,138	337,755	310,328
- Superannuation	39,005	35,902	39,005	35,902
- Leave & Other Entitlements	45,940	(7,765)	45,940	(7,765)
	422,700	339,275	422,700	338,465
Employees other than Office Holders				
- Wages & Salaries	5,825,765	5,232,470	5,825,765	5,232,470
- Superannuation	680,337	608,634	680,337	608,634
- Leave & Other Entitlements	154,698	106,798	154,698	106,798
- Separation & Redundancies	33,133	0	33,133	0
	6,693,933	5,947,902	6,693,933	5,947,902
Total Employee Expenses	7,116,633	6,287,177	7,116,633	6,286,367

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013**

	CONSOLIDATED ENTITY		ASSOCIATION	
	2013	2012	2013	2012
	\$	\$	\$	\$
NOTE 3 – EXPENSES (con't)				
Depreciation of property, plant and equipment	484,902	491,350	484,902	491,350
Affiliation Fees – Unions WA	104,568	87,015	104,568	87,015
Auditors' remuneration - audit	22,000	22,000	22,000	22,000
Legal Costs	79,212	87,721	79,212	87,721
Net loss on sale of fixed assets	12,601	18,978	12,601	18,978
Donations	1,008	3,164	1,008	3,164

NOTE 4 – INCOME TAX EXPENSE

Profit before income tax expense	(250,086)	371,455	(320,375)	300,332
(a) tax at 30% (2012: 30%)	(75,026)	111,437	(96,113)	90,100
Less: Tax exempt income	96,113	(90,100)	96,113	(90,100)
Less: Utilisation of tax losses not previously recognised.	-	-	-	-
Overstatement of Tax - 2011	-	(6,458)	-	-
Income tax expense	(21,087)	(14,878)	-	-

(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 2013**

**NOTE 5 – CASH AND CASH
EQUIVALENTS**

Cash at bank	3,469,341	3,336,264	3,346,538	3,139,560
Cash on hand	2,300	2,300	2,300	2,300
	<u>3,471,641</u>	<u>3,338,564</u>	<u>3,348,838</u>	<u>3,141,860</u>

**NOTE 6 – TRADE AND OTHER
RECEIVABLES**

Current

Commissions receivable	-	-	-	-
Service charges receivable	-	-	-	-
Other debtors	248,294	167,596	231,506	150,679
Prepayments	<u>43,667</u>	<u>76,765</u>	<u>43,667</u>	<u>76,765</u>
	<u>291,961</u>	<u>244,361</u>	<u>275,173</u>	<u>227,444</u>

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 2013**

	CONSOLIDATED ENTITY		ASSOCIATION	
	2013	2012	2013	2012
	\$	\$	\$	\$
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>
	<u><u>-</u></u>	<u><u>-</u></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.

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>
	<u><u>-</u></u>	<u><u>-</u></u>	<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		2013 \$	2012 \$
		2013	2012		
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:

	2013	2012
	\$	\$
Civil Service Association of WA (Inc)	(320,375)	300,332
Civil Service Holdings Pty Ltd	(27,854)	(18,084)
Civil Service Insurance Agency Pty Ltd	39,161	35,702
CSA Services (WA) Pty Ltd	37,895	38,627
Jetwest Travel Pty Ltd	-	-
Surplus/ (Deficit) for the year	<u><u>(271,173)</u></u>	<u><u>356,577</u></u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013**

	CONSOLIDATED ENTITY		ASSOCIATION	
	2013	2012	2013	2012
	\$	\$	\$	\$
NOTE 8 – PROPERTY, PLANT AND EQUIPMENT				
Land - at cost	365,147	365,147	365,147	365,147
Buildings - at cost	8,726,049	8,559,047	8,726,049	8,559,047
Less: Accumulated depreciation	(3,319,627)	(2,964,857)	(3,319,627)	(2,964,857)
	5,406,422	5,594,190	5,406,422	5,594,190
Furniture, fittings and equipment - at cost	2,379,289	2,320,783	2,379,289	2,320,783
Less: Accumulated depreciation	(1,958,009)	(1,859,809)	(1,958,009)	(1,859,809)
	421,280	460,974	421,280	460,974
Motor vehicles - at cost	254,245	246,413	254,245	246,413
Less: Accumulated depreciation	(43,156)	(76,148)	(43,156)	(76,148)
	211,089	170,265	211,089	170,265
	<u>6,403,938</u>	<u>6,590,576</u>	<u>6,403,938</u>	<u>6,590,576</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 2013**

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

Movements in Carrying Amounts 2013

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 2013

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	5,594,190	460,974	170,265	6,590,576
Additions	-	167,002	58,506	103,539	329,047
Disposals	-	-	-	(30,783)	(30,783)
Depreciation expense	-	(354,770)	(98,200)	(31,932)	(484,902)
Carrying amount at the end of the year	365,147	5,406,422	421,280	211,089	6,403,938
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	5,594,190	460,974	170,265	6,590,576
Additions	-	167,002	58,506	103,539	329,047
Disposals	-	-	-	(30,783)	(30,783)
Depreciation expense	-	(354,770)	(98,200)	(31,932)	(484,902)
Carrying amount at the end of the year	365,147	5,406,422	421,280	211,089	6,403,938

Movements in Carrying Amounts 2012

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 2012

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	5,162,289	471,818	95,840	6,095,094
Additions	-	786,959	94,054	150,706	1,031,719
Disposals	-	-	-	(44,887)	(44,887)
Depreciation expense	-	(355,058)	(104,898)	(31,394)	(491,350)
Carrying amount at the end of the year	365,147	5,594,190	460,974	170,265	6,590,576
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	5,162,289	471,818	95,840	6,095,094
Additions	-	786,959	94,054	150,706	1,031,719
Disposals	-	-	-	(44,887)	(44,887)
Depreciation expense	-	(355,058)	(104,898)	(31,394)	(491,350)
Carrying amount at the end of the year	365,147	5,594,190	460,974	170,265	6,590,576

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013**

NOTE 9 – TRADE AND OTHER PAYABLES

	CONSOLIDATED ENTITY		ASSOCIATION	
	2013	2012	2013	2012
	\$	\$	\$	\$
Current				
Sundry creditors and accruals	1,059,009	989,328	1,041,673	973,865
	<u>1,059,009</u>	<u>989,328</u>	<u>1,041,673</u>	<u>973,865</u>
Non Current				
Creditor – Other Group Company	-	-	220,000	100,000
	<u>-</u>	<u>-</u>	<u>220,000</u>	<u>100,000</u>

NOTE 10 - PROVISIONS

Employee Provisions – Current

Office Holders				
- Provision for annual leave	54,717	38,348	54,717	38,348
- Provision for long service leave	<u>143,291</u>	<u>113,721</u>	<u>143,291</u>	<u>113,721</u>
	198,008	152,069	198,008	152,069
Employees other than Office Holders				
- Provision for annual leave	381,178	335,334	381,178	335,334
- Provision for long service leave	<u>563,170</u>	<u>435,166</u>	<u>563,170</u>	<u>435,166</u>
	944,348	770,500	944,348	770,500
Total Employee Provisions – Current	<u>1,142,356</u>	<u>922,569</u>	<u>1,142,356</u>	<u>922,569</u>

Employee Provisions - Non-Current

Provision for long service leave –				
- Office Holders	0	0	0	0
- Employees other than Office Holders	<u>133,715</u>	<u>152,866</u>	<u>133,715</u>	<u>152,866</u>
Total Employee Provisions – Non Current	<u>133,715</u>	<u>152,866</u>	<u>133,715</u>	<u>152,866</u>

Number of employees at year end	<u>89</u>	<u>87</u>	<u>89</u>	<u>87</u>
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**CIVIL SERVICE ASSOCIATION
OF WESTERN AUSTRALIA (INCORPORATED)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013**

NOTE 11 – Retained Earnings

	CONSOLIDATED ENTITY		ASSOCIATION	
	2013	2012	2013	2012
	\$	\$	\$	\$
Retained Earnings	7,822,687	8,093,860	7,490,205	7,810,580

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	Ms P Bombak
Mr B Hawkins	Ms D Henden	Mr G Sutherland
Mr B Dodds		

	CONSOLIDATED ENTITY		ASSOCIATION	
	2013	2012	2013	2012
	\$	\$	\$	\$
(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.	422,700	339,275	422,700	338,465

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 \$133,338 (2012: \$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 2013**

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:

Operating Lease Commitments

	CONSOLIDATED ENTITY		ASSOCIATION	
	2013	2012	2013	2012
	\$	\$	\$	\$
(i) due within one year	32,327	30,686	32,327	30,686
(ii) due later than one year and less than two years	32,327	30,686	32,327	30,686
(iii) due later than two years and less than five years	48,893	39,264	48,893	39,264
	<u>113,547</u>	<u>100,636</u>	<u>113,547</u>	<u>100,636</u>

Plant & Equipment Commitments

	CONSOLIDATED ENTITY		ASSOCIATION	
	2013	2012	2013	2012
	\$	\$	\$	\$
(i) due within one year	134,400	335,363	134,400	335,363
(ii) due later than one year and less than two years	-	-	-	-
(iii) due later than two years and less than five years	-	-	-	-
	<u>134,400</u>	<u>335,363</u>	<u>134,400</u>	<u>335,363</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:

	CONSOLIDATED ENTITY		ASSOCIATION	
	2013	2012	2013	2012
	\$	\$	\$	\$
Cash and cash equivalents	1,387,766	1,331,524	1,264,963	1,134,820
Term Deposits	2,083,875	2,007,040	2,083,875	2,007,040
	<u>3,471,641</u>	<u>3,338,564</u>	<u>3,348,838</u>	<u>3,141,860</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013**

**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

	CONSOLIDATED ENTITY		ASSOCIATION	
	2013	2012	2013	2012
	\$	\$	\$	\$
Profit/ (Loss) for the year	(271,174)	356,577	(320,375)	300,332
Non-cash flows in surplus from ordinary activities				
Depreciation of property, plant and equipment	484,902	491,350	484,902	491,350
Loss/(profit) on disposal of property, plant and equipment	12,601	18,978	12,601	18,978
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	(80,698)	194,734	(80,827)	184,211
(Increase) decrease in loan receivables				
(Increase) decrease in prepayments	33,098	(44,131)	33,098	(44,131)
Increase (decrease) in sundry creditors	64,640	(34,702)	62,764	(32,956)
Provisions for employee leave benefits	200,636	99,033	200,637	99,033
Increase (decrease) in bonds & deposits	5,043	5,691	5,043	5,691
Increase (decrease) in income tax provision	(5,105)	5,796	-	-
Increase (decrease) in loan payables	-	-	120,000	-
Net cash (outflow) inflow from operating activities	443,943	1,093,326	517,843	1,022,508

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013**

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

30/06/13	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	0.10 %	466,369	-	-	-	-
Cash	3.25% to 3.50%	919,097	-	-	-	-
Term Deposit	3.76% to 4.30%	-	-	64,611	-	-
Term Deposit	4.15%	-	1,299,203	-	-	-
Term Deposit	4.20%	-	613,878	-	-	-
Term Deposit	4.45%	-	106,183	-	-	-
		1,387,766	2,019,264	64,611	-	-

30/06/12	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%	2,300	-	-	-	-
Cash	2 %	1,329,224	-	-	-	-
Term Deposit	4.8%	-	590,216	-	-	-
Term Deposit	5.25%	-	-	100,942	-	-
Term Deposit	5.0%	-	1,253,395	62,487	-	-
		1,331,524	1,843,611	163,429	-	-

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013**

Association

30/06/13	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	0.10%	343,566	-	-	-	-
Cash	3.25% to 3.50%	919,097	-	-	-	-
Term Deposit	3.76% to 4.30%	-	-	64,611	-	-
Term Deposit	4.15 %	-	1,299,203	-	-	-
Term Deposit	4.20%	-	613,878	-	-	-
Term Deposit	4.45 %	-	106,183	-	-	-
		1,264,963	2,019,264	64,611	-	-

30/06/12	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%	2,300	-	-	-	-
Cash	2%	1,132,520	-	-	-	-
Term Deposit	4.8%	-	590,216	-	-	-
Term Deposit	5.0%	-	1,253,395	-	-	-
Term Deposit	5.25%	-	-	100,942	-	-
Term Deposit	5.0%	-	-	62,487	-	-
		1,134,820	1,843,611	163,429	-	-

(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 \$3,471,641 would be an extra \$34,716 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 2013**

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 OCCURRING 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 2013. 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.

Dated the 11th September 2013

William Buck

William Buck Audit (WA) Pty Ltd

CM

Director - CONLEY MANIJS

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

**DETAILED OPERATING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2013**

	PARENT	
	2013	2012
	\$	\$
<u>INCOME</u>		
Members' subscriptions	7,967,303	8,024,629
Interest on investments	115,834	141,412
Journal advertising	11,136	16,350
Miscellaneous income	47,887	32,745
Management Fees	133,338	133,338
Lease income	1,371,881	1,247,271
Profit on sale of assets	-	-
Write-back of provision for doubtful debts	-	-
TOTAL INCOME	9,647,379	9,595,745
<u>EXPENDITURE</u>		
Advertising	21,875	18,106
Affiliation fees	104,568	87,015
Audit & accounting	20,683	28,100
Bank Charges	71,899	66,998
Cleaning & Domestic	78,528	80,103
Computer expenses	71,378	79,224
Council expenses	45,388	53,199
Courier Services	1,125	1,740
Depreciation	484,902	491,350
Donations	1,008	3,164
Fuel, light & power	194,374	151,503
General expenses	21,995	23,922
Insurance	66,425	63,442
Journal Publication costs	95,885	164,494
Journey Cover	307,198	309,681
Legal Fees	79,212	87,721
Library	-	-
Maintenance	91,120	184,585
Management Services	16,891	16,847
Media monitoring	3,369	6,390
Membership Fees & Levies – Shoprite	16,591	17,045
Motor vehicle costs	78,851	71,597
Photocopy cost	45,312	42,979
Postage	14,478	15,474
Printing	-	-
Promotions	16,736	54,067
Rates & taxes	44,522	40,042
Regional visits	54,782	74,515
Rent	1,755	1,620
Security	9,918	9,368

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

**DETAILED OPERATING STATEMENT (Cont'd)
FOR THE YEAR ENDED 30 JUNE 2013**

	PARENT	
	2013	2012
	\$	\$
Special Projects	110,023	126,417
Staff amenities	11,431	10,518
Staff expenses	7,561,098	6,656,538
Staff training	54,651	70,240
Staff uniforms	-	-
Stationery	31,268	33,219
Storage facility	9,197	8,637
Telephone	63,102	72,574
Travelling expenses	2,873	10,881
Web Development Costs	23,366	10,999
Workplace representatives training	27,376	32,021
Loss on Sale of Fixed Assets	12,601	18,978
TOTAL EXPENDITURE	9,967,754	9,295,414
OPERATING SURPLUS/ (DEFICIT)	(320,375)	300,332