

**CIVIL SERVICE ASSOCIATION OF WESTERN AUSTRALIA (INCORPORATED)**  
**AND ITS CONTROLLED ENTITIES**  
**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2014**

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

**FINANCIAL REPORT**

**FOR THE YEAR ENDED 30 JUNE 2014**

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## **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 2014, 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 5 to 24 and page 28.

### *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) and the Industrial Relations Act 1979 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 have 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.

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

**Sydney  
Melbourne  
Brisbane  
Perth  
Adelaide  
Auckland**

**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 2014, and its financial performance and its cash flows 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 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 Audit (WA) Pty Ltd  
Registered Company Auditor No.: 339150  
ABN 67 125 012 124



Conley Manifis  
Director

Dated this 3<sup>RD</sup> day of September, 2014

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

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2014**

	NOTES	CONSOLIDATED ENTITY		ASSOCIATION	
		2014	2013	2014	2013
		\$	\$	\$	\$
Revenues from continuing operations	2	9,737,871	9,721,909	9,667,472	9,647,379
Employee benefits expense		(7,626,961)	(7,559,022)	(7,626,961)	(7,559,022)
Legal fees		(97,991)	(79,212)	(93,008)	(79,212)
Depreciation expense	3	(442,015)	(484,902)	(442,015)	(484,902)
Loss on Disposal of Fixed Assets		-	(12,601)	-	(12,601)
Other expenses from ordinary activities		(1,780,023)	(1,836,258)	(1,775,636)	(1,832,017)
		(209,119)	(250,086)	(270,149)	(320,375)
Operating result before income tax expense	4	(209,119)	(250,086)	(270,149)	(320,375)
Income tax expense	4	(18,309)	(21,087)	-	-
Operating result for the year		(227,428)	(271,173)	(270,149)	(320,375)
<b><u>Other Comprehensive Income</u></b>					
Other Comprehensive Income for the period net of tax		-	-	-	-
Total Comprehensive Income for the Period		(227,428)	(271,173)	(270,149)	(320,375)

*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 2014**

	NOTE	CONSOLIDATED ENTITY		ASSOCIATION	
		2014	2013	2014	2013
		\$	\$	\$	\$
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	5	3,365,076	3,471,641	3,211,285	3,348,838
Trade and other receivables	6	265,323	291,961	246,401	275,173
<b>TOTAL CURRENT ASSETS</b>		<b>3,630,399</b>	<b>3,763,602</b>	<b>3,457,686</b>	<b>3,624,011</b>
<b>NON-CURRENT ASSETS</b>					
Receivables	6	-	-	-	-
Other financial assets	7	-	-	-	-
Property, plant and equipment	8	6,276,991	6,403,938	6,276,991	6,403,938
<b>TOTAL NON-CURRENT ASSETS</b>		<b>6,276,991</b>	<b>6,403,938</b>	<b>6,276,991</b>	<b>6,403,938</b>
<b>TOTAL ASSETS</b>		<b>9,907,390</b>	<b>10,167,540</b>	<b>9,734,677</b>	<b>10,027,949</b>
<b>CURRENT LIABILITIES</b>					
Trade and other payables	9	921,952	1,059,009	904,442	1,041,673
Provisions	10	1,249,232	1,142,356	1,249,232	1,142,356
Income Tax Provision	4	-	9,773	-	-
<b>TOTAL CURRENT LIABILITIES</b>		<b>2,171,184</b>	<b>2,211,138</b>	<b>2,153,674</b>	<b>2,184,029</b>
<b>NON-CURRENT LIABILITIES</b>					
Trade and other payables	9	-	-	220,000	220,000
Provisions	10	140,947	133,715	140,947	133,715
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>140,947</b>	<b>133,715</b>	<b>360,947</b>	<b>353,715</b>
<b>TOTAL LIABILITIES</b>		<b>2,312,131</b>	<b>2,344,853</b>	<b>2,514,621</b>	<b>2,537,744</b>
<b>NET ASSETS</b>		<b>7,595,259</b>	<b>7,822,687</b>	<b>7,220,056</b>	<b>7,490,205</b>
<b>EQUITY</b>					
Retained Profits	11	7,595,259	7,822,687	7,220,056	7,490,205
<b>TOTAL EQUITY</b>		<b>7,595,259</b>	<b>7,822,687</b>	<b>7,220,056</b>	<b>7,490,205</b>

*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 2014**

	<b>CONSOLIDATED ENTITY</b>		<b>ASSOCIATION</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	\$	\$	\$	\$
<b>Total equity at the beginning of the financial year</b>	<b>7,822,687</b>	<b>8,093,860</b>	<b>7,490,205</b>	<b>7,810,580</b>
<b>Operating result for the year</b>	<b>(227,428)</b>	<b>( 271,173)</b>	<b>(270,149)</b>	<b>(320,375)</b>
<b>Other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period</b>	<b>(227,428)</b>	<b>(271,173)</b>	<b>(270,149)</b>	<b>(320,375)</b>
<b>Total equity at the end of the financial year</b>	<b>7,595,259</b>	<b>7,822,687</b>	<b>7,220,056</b>	<b>7,490,205</b>

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

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2014**

	<b>CONSOLIDATED ENTITY</b>		<b>ASSOCIATION</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Cash Flows from Operating Activities</b>				
Receipts from customers and members	9,713,030	9,524,746	9,649,269	9,455,761
Payments to suppliers and employees	(9,546,525)	(9,167,727)	(9,544,171)	(9,053,752)
Interest received	95,587	116,463	95,444	115,834
Tax Paid	(30,562)	(29,540)	-	-
Net cash inflow from operating activities (Note 14 (b))	<u>231,530</u>	<u>443,942</u>	<u>200,542</u>	<u>517,843</u>
<b>Cash Flows from Investing Activities</b>				
Payments for property, plant & equipment	(338,095)	(329,047)	(338,095)	(329,047)
Proceeds from sale of property, plant & equipment	-	18,182	-	18,182
Dividend Income	-	-	-	-
Proceeds from sale of financial asset	-	-	-	-
Net cash (outflow) inflow from investing activities	<u>(338,095)</u>	<u>(310,865)</u>	<u>(338,095)</u>	<u>(310,865)</u>
Net increase in cash and cash equivalents held	(106,565)	133,077	(137,553)	206,978
Cash and cash equivalents at the beginning of the financial year	<u>3,471,641</u>	<u>3,338,564</u>	<u>3,348,838</u>	<u>3,141,860</u>
Cash and cash equivalents at end of year (Note 14 (a))	<u><u>3,365,076</u></u>	<u><u>3,471,641</u></u>	<u><u>3,211,285</u></u>	<u><u>3,348,838</u></u>

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



## 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 2014 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.

## **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)).

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

### **f. Impairment of Assets**

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

### **g. Employee Benefits**

#### **Short-term employee benefits**

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

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

#### **Other long-term employee benefits**

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

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

### **h. Segment Reporting**

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

Membership subscriptions  
Insurance agent services

Property rental  
Financial services

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

**i. Cash and cash equivalents**

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

**j. Trade and other Receivables**

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

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

**k. Operating Leases**

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

**l. Trade and other payables**

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

**m. Revenue Recognition**

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

**n. Goods and Services Tax (GST)**

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

**o. Comparative Figures**

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

**p. Lease Income**

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

	CONSOLIDATED ENTITY ENTITY		ASSOCIATION	
	2014	2013	2014	2013
	2014	2013	2014	2013
	\$	\$	\$	\$
<b>NOTE 2 - REVENUE</b>				
Revenue from continuing operations				
- Subscription income	8,198,552	7,967,303	8,198,552	7,967,303
- Commission	203,596	207,238	-	-
- Lease income	1,202,483	1,371,881	1,202,483	1,371,881
- Other	37,653	59,024	170,993	192,361
	9,642,284	9,605,446	9,572,028	9,531,545
Other Revenue				
- Interest	95,587	116,463	95,444	115,834
Total Revenue	9,737,871	9,721,909	9,667,472	9,647,379

### NOTE 3 – EXPENSES

Profit before income tax includes the following specific expenses:

#### Employee Expenses

<p>Holders of Office</p> <p>- Wages &amp; Salaries</p> <p>- Superannuation</p> <p>- Leave &amp; Other Entitlements</p>	<p>345,941</p> <p>38,083</p> <p>23,206</p> <p>407,230</p>	<p>337,755</p> <p>39,005</p> <p>45,940</p> <p>422,700</p>	<p>345,941</p> <p>38,083</p> <p>23,206</p> <p>407,230</p>	<p>337,755</p> <p>39,005</p> <p>45,940</p> <p>422,700</p>
<p>Employees other than Office Holders</p> <p>- Wages &amp; Salaries</p> <p>- Superannuation</p> <p>- Leave &amp; Other Entitlements</p> <p>- Separation &amp; Redundancies</p>	<p>6,032,040</p> <p>693,392</p> <p>90,902</p> <p>-</p> <p>6,816,334</p>	<p>5,825,765</p> <p>680,337</p> <p>154,698</p> <p>33,133</p> <p>6,693,933</p>	<p>6,032,040</p> <p>693,392</p> <p>90,902</p> <p>-</p> <p>6,816,334</p>	<p>5,825,765</p> <p>680,337</p> <p>154,698</p> <p>33,133</p> <p>6,693,933</p>
Total Employee Expenses	7,223,564	7,116,633	7,223,564	7,116,633

	\$	\$	\$	\$
<b>NOTE 3 – EXPENSES (con't)</b>				
Depreciation of property, plant and equipment	465,041	484,902	465,041	484,902
Affiliation Fees – Unions WA	115,174	104,568	115,174	104,568
Auditors' remuneration - audit	17,500	22,000	17,500	22,000
Legal Costs	97,991	79,212	93,008	79,212
Net loss on sale of fixed assets	-	12,601	-	12,601
Donations	6,876	1,008	6,876	1,008
	<b>CONSOLIDATED</b>		<b>ASSOCIATION</b>	

#### NOTE 4 – INCOME TAX EXPENSE

(Loss) before income tax expense	(209,119)	(250,086)	(270,149)	(320,375)
(a) tax at 30% (2013: 30%)	(62,736)	(75,026)	(81,045)	(96,113)
Less: Tax exempt income	81,045	96,113	81,045	96,113
Less: Utilisation of tax losses not previously recognised.	-	-	-	-
Income tax expense	(18,309)	(21,087)	-	-
(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	-	-	-	-
	-	-	-	-

**NOTE 5 – CASH AND CASH EQUIVALENTS**

Cash at bank	3,362,776	3,469,341	3,208,985	3,346,538
Cash on hand	2,300	2,300	2,300	2,300
	<u>3,365,076</u>	<u>3,471,641</u>	<u>3,211,285</u>	<u>3,348,838</u>

**NOTE 6 – TRADE AND OTHER RECEIVABLES**

*Current*

Commissions receivable	-	-	-	-
Service charges receivable	-	-	-	-
Other debtors	177,549	248,294	158,627	231,506
Prepayments	87,774	43,667	87,774	43,667
	<u>265,323</u>	<u>291,961</u>	<u>246,401</u>	<u>275,173</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.

	<b>CONSOLIDATED ENTITY</b>		<b>ASSOCIATION</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</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 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 %		2014	2013
		2014	2013	\$	\$
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:

	2014 \$	2013 \$
Civil Service Association of WA (Inc)	(270,149)	(320,375)
Civil Service Holdings Pty Ltd	(30,168)	(27,854)
Civil Service Insurance Agency Pty Ltd	43,620	39,161
CSA Services (WA) Pty Ltd	29,269	37,895
Jetwest Travel Pty Ltd	-	-
Surplus/ (Deficit) for the year	<u>(227,428)</u>	<u>(271,173)</u>

**CONSOLIDATED ENTITY**  
2014  
\$

**ASSOCIATION**  
2014  
\$

**NOTE 8 – PROPERTY, PLANT AND EQUIPMENT**

Land - at cost	365,147	365,147	365,147	365,147
Buildings - at cost	9,035,768	8,726,049	9,035,768	8,726,049
Less: Accumulated depreciation	(3,656,024)	(3,319,627)	(3,656,024)	(3,319,627)
	5,379,744	5,406,422	5,379,744	5,406,422
Furniture, fittings and equipment - at cost	2,407,664	2,379,289	2,407,664	2,379,289
Less: Accumulated depreciation	(2,047,065)	(1,958,009)	(2,047,065)	(1,958,009)
	360,599	421,280	360,599	421,280
Motor vehicles - at cost	254,245	254,245	254,245	254,245



Less: Accumulated depreciation

(82,744)	(43,156)	(82,744)	(43,156)
171,501	211,089	171,501	211,089
6,276,991	6,403,938	6,276,991	6,403,938

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

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

*Movements in Carrying Amounts 2014*

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 2014

<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	5,406,422	421,280	211,089	6,403,938
Additions	-	309,719	28,375	-	338,094
Disposals	-	-	-	-	-
Depreciation expense	-	(336,397)	(89,056)	(39,588)	(465,041)
Carrying amount at the end of the year	365,147	5,379,744	360,599	171,501	6,276,991
<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	5,406,422	421,280	211,089	6,403,938
Additions	-	309,719	28,375	-	338,094
Disposals	-	-	-	-	-
Depreciation expense	-	(336,397)	(89,056)	(39,588)	(465,041)
Carrying amount at the end of the year	365,147	5,379,744	360,599	171,501	6,276,991

*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

<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	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

<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	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

#### NOTE 9 – TRADE AND OTHER PAYABLES

	<b>CONSOLIDATED ENTITY</b>		<b>ASSOCIATION</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Current				
Sundry creditors and accruals	921,952	1,059,009	904,442	1,041,673
	<u>921,952</u>	<u>1,059,009</u>	<u>904,442</u>	<u>1,041,673</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	64,648	54,717	64,648	54,717
- Provision for long service leave	<u>156,566</u>	<u>143,291</u>	<u>156,566</u>	<u>143,291</u>

	<u>221,214</u>	<u>198,008</u>	<u>221,214</u>	<u>198,008</u>
Employees other than Office Holders				
- Provision for annual leave	438,204	381,178	438,204	381,178
- Provision for long service leave	<u>589,814</u>	<u>563,170</u>	<u>589,814</u>	<u>563,170</u>
	1,028,018	944,348	1,028,018	944,348
Total Employee Provisions – Current	<u>1,249,232</u>	<u>1,142,356</u>	<u>1,249,232</u>	<u>1,142,356</u>
Employee Provisions - Non-Current				
Provision for long service leave –				
- Office Holders	0	0	0	0
- Employees other than Office Holders	<u>140,947</u>	<u>133,715</u>	<u>140,947</u>	<u>133,715</u>
Total Employee Provisions – Non Current	<u>140,947</u>	<u>133,715</u>	<u>140,947</u>	<u>133,715</u>
Number of employees at year end	<u>72</u>	<u>74</u>	<u>72</u>	<u>74</u>

#### NOTE 11 – Retained Earnings

	<b>CONSOLIDATED ENTITY</b>		<b>ASSOCIATION</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Retained Earnings	7,595,259	7,822,687	7,220,056	7,490,205

#### 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 E Rosenstein
Mr B Hawkins	Ms D Henden	Mr G Sutherland
Mr B Dodds	Mr K Mayerhofer	Mr T Watson

	<b>CONSOLIDATED ENTITY</b>		<b>ASSOCIATION</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>

**(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.

407,230	422,700	407,230	422,700
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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 (2013: \$133,338). 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 motor vehicles and office equipment.

At balance date the aggregate lease commitment was as follows:

**Operating Lease Commitments**

	<b>CONSOLIDATED ENTITY</b>		<b>ASSOCIATION</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
(i) due within one year	32,327	32,327	32,327	32,327
(ii) due later than one year and less than two years	27,203	32,327	27,203	32,327
(iii) due later than two years and less than five years	22,676	48,893	22,676	48,893
	<u>82,206</u>	<u>113,547</u>	<u>82,206</u>	<u>113,547</u>

**Plant & Equipment Commitments**

	<b>CONSOLIDATED ENTITY</b>		<b>ASSOCIATION</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
(i) due within one year	-	134,400	-	134,400
(ii) due later than one year and less than two years	-	-	-	-
(iii) due later than two years and less than five years	-	-	-	-
	<u>-</u>	<u>134,400</u>	<u>-</u>	<u>134,400</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 as follows:

	<b>CONSOLIDATED ENTITY</b>		<b>ASSOCIATION</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Cash and cash equivalents	1,252,083	1,387,766	1,098,292	1,264,963
Term Deposits	2,112,993	2,083,875	2,112,993	2,083,875
	<u>3,365,076</u>	<u>3,471,641</u>	<u>3,211,285</u>	<u>3,348,838</u>

**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>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Profit/ (Loss) for the year	(227,428)	(271,173)	(270,150)	(320,375)
<b>Non-cash flows in surplus from ordinary activities</b>				
Depreciation of property, plant and equipment	465,041	484,902	465,041	484,902
Loss/(profit) on disposal of property, plant and equipment	-	12,601	-	12,601
Profit on sale of financial asset	-	-	-	-
Dividend Income	-	-	-	-
Provision for diminution of Loan	-	-	-	-
Provision of diminution of Investment in Subsidiary	-	-	-	-
<b>Change in assets and liabilities</b>				
(Increase) decrease in sundry debtors	70,745	(80,698)	72,878	(80,827)
(Increase) decrease in loan receivables	-	-	-	-
(Increase) decrease in prepayments	(44,107)	33,098	(44,107)	33,098
Increase (decrease) in sundry creditors	(141,420)	64,638	(141,592)	62,764

Provisions for employee leave benefits	114,108	200,636	114,108	200,637
Increase (decrease) in bonds & deposits	4,364	5,043	4,364	5,043
Increase (decrease) in income tax provision	(9,773)	(5,105)	-	-
Increase (decrease) in loan payables	-	-	-	120,000
Net cash (outflow) inflow from operating activities	231,530	443,942	200,542	517,843

## 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

30/06/14	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%	2,300	-	-	-	-
Cash	0.05 to 0.4%	697,041	-	-	-	-
Cash	2.40% to 3.72%	552,742	-	-	-	-
Term Deposit	3.50%	-	-	110,934	-	-
Term Deposit	3.60%	-	-	644,022	-	-
Term Deposit	3.65%	-	1,358,037	-	-	-
		1,252,083	1,358,037	754,956		

30/06/13	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%	2,300	-	-	-	-
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	-	-

## Association

30/06/14	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%	2,300	-	-	-	-
Cash	0.05 to 0.40%	543,250	-	-	-	-
Cash	2.40% to 3.72 %	552,742	-	-	-	-
Term Deposit	3.50%	-	-	110,934	-	-
Term Deposit	3.60%	-	-	644,022	-	-
Term Deposit	3.65%	-	1,358,037	-	-	-
		1,098,292	1,358,037	754,956	-	-

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 \$
<b>Financial Assets</b>						
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	-	-

### (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 \$3,365,076 would be an extra \$33,651 income if interest rates rise or cost if interest rates fall.

### (ii) Market Risk

All Trade and Other Payables are due within 3 months.

**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.



**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 2014. 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 *3<sup>rd</sup> September* 2014

*William Buck*

**William Buck Audit (WA) Pty Ltd**

*[Signature]*  
**Director**

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

**DETAILED OPERATING STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2014**

	<b>PARENT</b>	
	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
<b><u>INCOME</u></b>		
Members' subscriptions	8,198,552	7,967,303
Interest on investments	95,444	115,834
Journal advertising	6,193	11,136
Miscellaneous income	31,461	47,887
Management Fees	133,338	133,338
Lease income	1,202,483	1,371,881
Profit on sale of assets	-	-
Write-back of provision for doubtful debts	-	-
<b>TOTAL INCOME</b>	<b>9,667,471</b>	<b>9,647,379</b>
<b><u>EXPENDITURE</u></b>		
Advertising	3,662	21,875
Affiliation fees	115,174	104,568
Audit & accounting	9,595	20,683
Bank Charges	71,081	71,899
Cleaning & Domestic	78,179	78,528
Computer expenses	85,149	71,378
Council expenses	51,645	45,388
Courier Services	1,637	1,125
Depreciation	465,041	484,902
Donations	6,189	1,008
Fuel, light & power	185,595	194,374
General expenses	21,958	21,995
Insurance	72,166	66,425
Journal Publication costs	88,470	95,885
Journey Cover	306,360	307,198
Legal Fees	93,008	79,212
Library	-	-
Maintenance	129,888	91,120
Management Services	18,323	16,891
Media monitoring	3,199	3,369
Membership Fees & Levies – Shoprite	13,909	16,591
Motor vehicle costs	69,984	78,851
Photocopy cost	47,795	45,312
Postage	16,096	14,478
Printing	-	-
Promotions	84	16,736
Rates & taxes	58,586	44,522
Regional visits	32,888	54,782
Rent	1,485	1,755
Security	14,015	9,918

**CIVIL SERVICE ASSOCIATION OF WESTERN AUSTRALIA (INCORPORATED)****DETAILED OPERATING STATEMENT (Cont'd)  
FOR THE YEAR ENDED 30 JUNE 2014**

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	<b>PARENT</b>	
	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Special Projects	31,996	110,023
Staff amenities	9,079	11,431
Staff expenses	7,629,886	7,561,098
Staff training	49,912	54,651
Staff uniforms	(2,755)	-
Stationery	34,703	31,268
Storage facility	9,602	9,197
Telephone	78,675	63,102
Travelling expenses	2,403	2,873
Web Development Costs	9,444	23,366
Workplace representatives training	23,515	27,376
Loss on Sale of Fixed Assets	-	12,601
<b>TOTAL EXPENDITURE</b>	<b>9,937,621</b>	<b>9,967,754</b>
<b>OPERATING SURPLUS/ (DEFICIT)</b>	<b>(270,150)</b>	<b>(320,375)</b>

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# CIVIL SERVICE ASSOCIATION OF WESTERN AUSTRALIA (INCORPORATED)

## STATEMENT BY COMMITTEE OF MANAGEMENT


On the 3<sup>rd</sup> September 2014 the Committee of Management of the Civil Service Association WA Inc passed the following resolution in relation to the general purpose financial report (GPRF) for the year ended 30 June 2014

In the opinion of the Committee of Management the financial report as set out on pages 5 to 28;

1. Presents fairly the financial position of the Civil Service Association of Western Australia (Incorporated) as at 30 June 2014 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 2014 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 of Management and is signed for and on the behalf of the Committee by:

Signature of designated officer:



Name of designated officer:

Toni Walkington

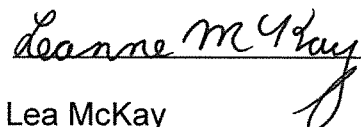
Title of designated officer:

General Secretary

Dated:

3<sup>rd</sup> September 2014

Signature of designated officer:



Name of designated officer:

Lea McKay

Title of designated officer:

President

Dated:

3<sup>rd</sup> September 2014